



LIFE AND ACCIDENT AND HEALTH COMPANIES—ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2005
OF THE CONDITION AND AFFAIRS OF THE
INDEPENDENCE LIFE AND ANNUITY COMPANY

NAIC Group Code	0549	0549	NAIC Company Code	64602	Employer's ID Number	61-0403075
	(Current Period)	(Prior Period)				
Organized under the Laws of	Rhode Island			State of Domicile or Port of Entry	Rhode Island	
Country of Domicile	US					
Incorporated/Organized	10/11/1945			Commenced Business	11/23/1945	
Statutory Home Office	1130 Ten Rod Road, Suite 302 D			North Kingstown, RI 02852-4161		
	(Street and Number)			(City or Town, State and Zip Code)		
Main Administrative Office	One Sun Life Executive Park			Wellesley Hills, MA 02481		781-237-6030
	(Street and Number)			(City or Town, State and Zip Code)		(Area Code) (Telephone Number)
Mail Address	One Sun Life Executive Park			Wellesley Hills, MA 02481		
	(Street and Number or P.O. Box)			(City or Town, State and Zip Code)		
Primary Location of Books and Records	1130 Ten Rod Road, Suite 302 D			North Kingstown, RI 02852-4161		781-446-1523
	(Street and Number)			(City or Town, State and Zip Code)		(Area Code) (Telephone Number)
Internet Website Address	www.sunlife.com					
Statutory Statement Contact	Lynn Marie Kelley			781-446-1523		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	lynn.kelley@sunlife.com			781-239-1682		
	(E-mail Address)			(FAX Number)		
Policyowner Relations Contact	Karen E. Travis			One Sun Life Executive Park		Wellesley Hills, MA 02481
				(Street and Number)		(City or Town, State and Zip Code)
						781-446-1831
						(Area Code) (Telephone Number) (Extension)

OFFICERS

Name	Title	Name	Title
ROBERT CHARLES SALIPANTE	President	ELLEN BLOOMER KING	AVP and Senior Counsel and Secretary
GARY CORSI	VP and CFO and Treasurer	KEITH GUBBAY	VP and Chief Actuary

OTHER OFFICERS

CLAUDE ALAN ACCUM	VP, Individual Insurance	JAMES MITCHELL ANGUS	EVP and Chief Investment Officer
SCOTT MICHAEL DAVIS	VP and General Counsel	ANDERSON	VP, Annuities
	VP, Human Resources and Public Relations	MARY MARTHA FAY	EVP, Sun Life Financial U.S. Operations
JANET VEAL WHITEHOUSE		JOHN ROGER WRIGHT	

DIRECTORS OR TRUSTEES

GARY CORSI	SCOTT MICHAEL DAVIS	MARY MARTHA FAY	ROBERT CHARLES SALIPANTE
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State ofMassachusetts.....
County ofNorfolk..... SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

ROBERT CHARLES SALIPANTE President	ELLEN BLOOMER KING AVP and Senior Counsel and Secretary	
Subscribed and sworn to before me this _____ day of _____,		a. Is this an original filing? Yes [X] No []
_____,		b. If no, 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	54,180,324		54,180,324	53,087,285
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$731,537 , Schedule E, Part 1), cash equivalents (\$2,112,007 , Schedule E, Part 2) and short-term investments (\$0 , Schedule DA).....	2,843,544		2,843,544	1,307,874
6. Contract loans, (including \$premium notes)	37,839,182		37,839,182	39,049,275
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivables for securities	11,187		11,187	11,085
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	94,874,237	0	94,874,237	93,455,519
11. Title plants less \$charged off (for Title insurers only).....			0	
12. Investment income due and accrued	1,320,915		1,320,915	1,194,957
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection			0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			0	0
13.3 Accrued retrospective premium.....			0	0
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers	233,325		233,325	280,653
14.2 Funds held by or deposited with reinsured companies			0	0
14.3 Other amounts receivable under reinsurance contracts			0	0
15. Amounts receivable relating to uninsured plans			0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
16.2 Net deferred tax asset.....	1,936,870	1,655,585	281,285	274,857
17. Guaranty funds receivable or on deposit			0	0
18. Electronic data processing equipment and software			0	0
19. Furniture and equipment, including health care delivery assets (\$)			0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
21. Receivables from parent, subsidiaries and affiliates			0	0
22. Health care (\$) and other amounts receivable			0	0
23. Aggregate write-ins for other than invested assets	45,601	0	45,601	56,874
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	98,410,948	1,655,585	96,755,363	95,262,860
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	75,134,491		75,134,491	76,775,117
26. Total (Lines 24 and 25)	173,545,439	1,655,585	171,889,854	172,037,977
DETAILS OF WRITE-INS				
0901.			0	0
0902.			0	0
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Management fee receivable.....	42,000		42,000	43,631
2302. Other assets.....	3,601		3,601	13,243
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	45,601	0	45,601	56,874

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$47,173,250 (Exh. 5, Line 9999999) less \$ included in Line 6.3 (including \$ Modco Reserve)	47,173,250	49,198,215
2. Aggregate reserve for accident and health contracts (Exhibit 6, Line 17, Col. 1)(including \$0 Modco Reserve)	0	0
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ Modco Reserve)	39,626	65,171
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)	284,855	28,125
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)	0	0
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)	0	0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)	0	0
6.2 Dividends not yet apportioned (including \$ Modco)	0	0
6.3 Coupons and similar benefits (including \$ Modco)	0	0
7. Amount provisionally held for deferred dividend policies not included in Line 6	0	0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$0 accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of Lines 4 and 14)	0	0
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts	0	0
9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds	0	0
9.3 Other amounts payable on reinsurance including \$ assumed and \$ ceded	0	0
9.4 Interest maintenance reserve (IMR Line 6)	211,723	332,562
10. Commissions to agents due or accrued-life contracts and annuity contracts \$ accident and health \$ and deposit-type contract funds \$	0	0
11. Commissions and expense allowances payable on reinsurance assumed	0	0
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)	0	0
13. Transfers to Separate Accounts due or accrued (net) (Including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)	(739,994)	(761,740)
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	0	0
15.1 Current federal and foreign income taxes including \$ on realized capital gains (losses)	296,719	175,012
15.2 Net deferred tax liability	0	0
16. Unearned investment income	0	0
17. Amounts withheld or retained by company as agent or trustee	0	0
18. Amounts held for agents' account, including \$ agents' credit balances	0	0
19. Remittances and items not allocated	21,795	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0
21. Liability for benefits for employees and agents if not included above	0	0
22. Borrowed money \$ and interest thereon \$	0	0
23. Dividends to stockholders declared and unpaid	0	0
24. Miscellaneous liabilities:		
24.1 Asset valuation reserve (AVR, Line 16, Col. 7)	224,669	168,456
24.2 Reinsurance in unauthorized companies	0	0
24.3 Funds held under reinsurance treaties with unauthorized reinsurers	0	0
24.4 Payable to parent, subsidiaries and affiliates	384,204	221,242
24.5 Drafts outstanding	0	0
24.6 Liability for amounts held under uninsured accident and health plans	0	0
24.7 Funds held under coinsurance	0	0
24.8 Payable for securities	253	0
24.9 Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	140,233	63,173
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	48,015,538	49,512,011
27. From Separate Accounts Statement	75,134,491	76,775,117
28. Total Liabilities (Lines 26 and 27)	123,150,029	126,287,128
29. Common capital stock	2,541,722	2,541,722
30. Preferred capital stock	0	0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes	0	0
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	22,678,309	22,678,309
34. Aggregate write-ins for special surplus funds	0	0
35. Unassigned funds (surplus)	23,519,794	20,530,818
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)	0	0
36.2 shares preferred (value included in Line 30 \$)	0	0
37. Surplus (total Lines 31+32+33+34+35-36) (Including \$ in Separate Accounts Statement)	46,198,103	43,209,127
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	48,739,825	45,750,849
39. Totals of Lines 28 and 38 (Page 2, Line 26, Col. 3)	171,889,854	172,037,977
DETAILS OF WRITE-INS		
2501. Escheatment liability.....	2,786	0
2502. Amounts payable reinsurance ceded.....	137,447	63,173
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	140,233	63,173
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	0	0
3401.		
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0

SUMMARY OF OPERATIONS

(Excluding Unrealized Capital Gains and Losses)

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)	(871,343)	(888,988)
2. Considerations for supplementary contracts with life contingencies		0
3. Net investment income (Exhibit of Net Investment Income, Line 17)	4,287,239	3,982,864
4. Amortization of interest maintenance reserve (IMR) (Line 5)	178,192	214,980
5. Separate Accounts net gain from operations excluding unrealized gains or losses	0	0
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	0	0
7. Reserve adjustments on reinsurance ceded		0
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	1,874,349	1,992,761
8.2 Charges and fees for deposit-type contracts		0
8.3 Aggregate write-ins for miscellaneous income	213,646	178,118
9. Total (Lines 1 to 8.3)	5,682,083	5,479,735
10. Death benefits	1,514,991	1,908,599
11. Matured endowments (excluding guaranteed annual pure endowments)	0	0
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)	0	0
13. Disability benefits and benefits under accident and health contracts		0
14. Coupons, guaranteed annual pure endowments and similar benefits		0
15. Surrender benefits and withdrawals for life contracts	4,994,547	5,444,440
16. Group conversions		0
17. Interest and adjustments on contracts or deposit-type contract funds	32,918	20,305
18. Payments on supplementary contracts with life contingencies	31,222	36,063
19. Increase in aggregate reserves for life and accident and health contracts	(2,024,965)	2,733,224
20. Totals (Lines 10 to 19)	4,548,713	10,142,631
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	0	0
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)	0	0
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	254,926	302,416
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	4,652	8,877
25. Increase in loading on deferred and uncollected premiums		0
26. Net transfers to or (from) Separate Accounts net of reinsurance	(3,174,216)	(8,348,565)
27. Aggregate write-ins for deductions	0	0
28. Totals (Lines 20 to 27)	1,634,075	2,105,359
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	4,048,008	3,374,376
30. Dividends to policyholders		0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	4,048,008	3,374,376
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	1,106,702	79,191
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	2,941,306	3,295,185
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$14,123 (excluding taxes of \$30,882 transferred to the IMR)	(33,640)	6,981
35. Net income (Line 33 plus Line 34)	2,907,666	3,302,166
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	45,750,849	42,153,179
37. Net income (Line 35)	2,907,666	3,302,166
38. Change in net unrealized capital gains (losses)		0
39. Change in net unrealized foreign exchange capital gain (loss)		0
40. Change in net deferred income tax	(120,392)	(1,383,556)
41. Change in nonadmitted assets and related items	257,916	570,145
42. Change in liability for reinsurance in unauthorized companies	0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exhibit 5A, Line 9999999, Col. 4)	0	1,225,377
44. Change in asset valuation reserve	(56,214)	(81,462)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)	0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		0
47. Other changes in surplus in Separate Accounts Statement	0	0
48. Change in surplus notes	0	0
49. Cumulative effect of changes in accounting principles		0
50. Capital changes:		
50.1 Paid in		0
50.2 Transferred from surplus (Stock Dividend)		0
50.3 Transferred to surplus		0
51. Surplus adjustment:		
51.1 Paid in		0
51.2 Transferred to capital (Stock Dividend)		0
51.3 Transferred from capital		0
51.4 Change in surplus as a result of reinsurance		0
52. Dividends to stockholders	0	(35,000)
53. Aggregate write-ins for gains and losses in surplus		
54. Net change in capital and surplus for the year (Lines 37 through 53)	2,988,976	3,597,670
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	48,739,825	45,750,849
DETAILS OF WRITE-INS		
08.301. Management fee income	213,646	178,118
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0
08.399. TOTALS (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	213,646	178,118
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0
2799. TOTALS (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0
5301. Prior period exam adjustment		(35,000)
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0
5399. TOTALS (Lines 5301 thru 5303 plus 5398) (Line 53 above)	0	(35,000)

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	(871,343)	(888,988)
2. Net investment income	4,485,642	4,441,371
3. Miscellaneous income	2,087,995	2,170,879
4. Total (Lines 1 to 3)	5,702,294	5,723,262
5. Benefits and loss related payments	6,182,769	6,516,971
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....	(3,195,962)	(8,313,253)
7. Commissions, expenses paid and aggregate write-ins for deductions	259,578	311,293
8. Dividends paid to policyholders .....	.0	.0
9. Federal and foreign income taxes paid (recovered) \$45,005 net of tax on capital gains (losses)	984,995	579,629
10. Total (Lines 5 through 9)	4,231,380	(905,360)
11. Net cash from operations (Line 4 minus Line 10)	1,470,914	6,628,622
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	12,273,710	16,593,602
12.2 Stocks .....	.0	.0
12.3 Mortgage loans .....	.0	.0
12.4 Real estate .....	.0	.0
12.5 Other invested assets .....	.0	.0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	.0	.0
12.7 Miscellaneous proceeds	151	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,273,861	16,593,602
13. Cost of investments acquired (long-term only):		
13.1 Bonds	13,622,393	27,275,323
13.2 Stocks .....	.0	.0
13.3 Mortgage loans .....	.0	.0
13.4 Real estate .....	.0	.0
13.5 Other invested assets .....	.0	.0
13.6 Miscellaneous applications		1,105,231
13.7 Total investments acquired (Lines 13.1 to 13.6)	13,622,393	28,380,554
14. Net increase (or decrease) in contract loans and premium notes	(1,210,093)	(1,909,139)
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(138,439)	(9,877,813)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	.0	.0
16.2 Capital and paid in surplus, less treasury stock.....	.0	.0
16.3 Borrowed funds .....	.0	.0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(25,545)	(23,929)
16.5 Dividends to stockholders .....	.0	.0
16.6 Other cash provided (applied).....	228,740	133,454
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	203,195	109,525
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	1,535,670	(3,139,666)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,307,874	4,447,540
19.2 End of period (Line 18 plus Line 19.1).....	2,843,544	1,307,874

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit) (Excluding Capital Gains and Losses)

	1	2	Ordinary			6	Group		Accident and Health			12
	Total	Industrial Life	3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts	Credit Life (Group and Individual)	7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	Aggregate of All Other Lines of Business
1. Premiums and annuity considerations for life and accident and health contracts	(871,343)	.0	(871,343)	.0		.0	.0	.0	.0	.0	.0	
2. Considerations for supplementary contracts with life contingencies .....	.0											
3. Net investment income	4,287,239		4,217,357	33,869	36,013							
4. Amortization of Interest Maintenance Reserve (IMR)	178,192		175,287	1,408	1,497							
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....	.0		.0									
6. Commissions and expense allowances on reinsurance ceded .....	.0	.0	.0	.0		.0	.0	.0	.0	.0	.0	.0
7. Reserve adjustments on reinsurance ceded .....	.0											
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	1,874,349		1,874,349									
8.2 Charges and fees for deposit-type contracts .....	.0											
8.3 Aggregate write-ins for miscellaneous income	213,646	0	213,646	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 to 8.3)	5,682,083	0	5,609,296	35,277	37,510	0	0	0	0	0	0	0
10. Death benefits	1,514,991		1,502,141	12,850								
11. Matured endowments (excluding guaranteed annual pure endowments) .....	.0	.0	.0				.0					
12. Annuity benefits .....	.0			.0				.0				
13. Disability benefits and benefits under accident and health contracts .....	.0								.0	.0	.0	
14. Coupons, guaranteed annual pure endowments and similar benefits .....	.0											
15. Surrender benefits and withdrawals for life contracts	4,994,547		4,994,547									
16. Group conversions .....	.0											
17. Interest and adjustments on contract or deposit-type contract funds	32,918		32,918									
18. Payments on supplementary contracts with life contingencies	31,222		.0		31,222							
19. Increase in aggregate reserves for life and accident and health contracts	(2,024,965)		(2,029,428)	12,002	(7,539)							
20. Totals (Lines 10 to 19)	4,548,713	.0	4,500,178	24,852	23,683	.0	.0	.0	.0	.0	.0	.0
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only) .....	.0	.0	.0	.0		.0	.0	.0	.0	.0	.0	.0
22. Commissions and expense allowances on reinsurance assumed .....	.0	.0	.0	.0		.0	.0	.0	.0	.0	.0	.0
23. General insurance expenses	254,926		250,771	2,014	2,141				.0	.0	.0	.0
24. Insurance taxes, licenses and fees, excluding federal income taxes (FIT)	4,652		4,576	37	39				.0	.0	.0	.0
25. Increase in loading on deferred and uncollected premiums .....	.0											
26. Net transfers to or (from) Separate Accounts net of reinsurance	(3,174,216)		(3,174,216)									
27. Aggregate write-ins for deductions	0	0	0	0	0	0	0	0	0	0	0	0
28. Totals (Lines 20 to 27)	1,634,075	0	1,581,309	26,903	25,863	0	0	0	0	0	0	0
29. Net gain from operations before dividends to policyholders and FIT (Line 9 - Line 28)	4,048,008	.0	4,027,987	8,374	11,647	.0	.0	.0	.0	.0	.0	.0
30. Dividends to policyholders	0								0	0	0	
31. Net gain from operations after dividends to policyholders and before FIT (Line 29 - Line 30)	4,048,008	.0	4,027,987	8,374	11,647	.0	.0	.0	.0	.0	.0	.0
32. Federal income taxes incurred (excluding tax on capital gains)	1,106,702		1,101,229	2,289	3,184							
33. Net gain from operations after dividends to policyholders and FIT and before realized capital gains or (losses) (Line 31 - Line 32)	2,941,306	0	2,926,758	6,085	8,463	0	0	0	0	0	0	0
DETAILS OF WRITE-INS												
08.301. Management fee income	213,646		213,646									
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	213,646	0	213,646	0	0	0	0	0	0	0	0	0
2701.												
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes the following amounts for FEGLI/SGLI: Line 1 Line 10 Line 16 Line 23 Line 24

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1	2	Ordinary			6	Group	
	Total	Industrial Life	3	4	5	Credit Life (Group and Individual)	7	8
			Life Insurance	Individual Annuities	Supplementary Contracts		Life Insurance	Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year	49,198,215	0	48,411,833	375,788	410,594	0	0	0
2. Tabular net premiums or considerations	0							
3. Present value of disability claims incurred	0				XXX			
4. Tabular interest	2,289,309		2,251,363	12,108	25,838			
5. Tabular less actual reserve released	(2,895,410)		(2,896,152)	(106)	848			
6. Increase in reserve on account of change in valuation basis	0							
7. Other increases (net)	0							
8. Totals (Lines 1 to 7)	48,592,114	0	47,767,044	387,790	437,280	0	0	0
9. Tabular cost	0				XXX			
10. Reserves released by death	760,493		760,493	XXX	XXX			XXX
11. Reserves released by other terminations (net)	3,162,692		3,162,692					
12. Annuity, supplementary contract and disability payments involving life contingencies	34,225				34,225			
13. Net transfers to or (from) Separate Accounts	(2,538,546)		(2,538,546)					
14. Total Deductions (Lines 9 to 13)	1,418,864	0	1,384,639	0	34,225	0	0	0
15. Reserve December 31, current year	47,173,250	0	46,382,405	387,790	403,055	0	0	0

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....350,902	.....350,107
1.1	Bonds exempt from U.S. tax	(a) .....0	.....0
1.2	Other bonds (unaffiliated)	(a) .....2,242,592	.....2,303,490
1.3	Bonds of affiliates	(a) .....0	.....0
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....0
2.11	Preferred stocks of affiliates	(b) .....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0
3.	Mortgage loans	(c) .....0	.....0
4.	Real estate	(d) .....0	.....0
5.	Contract loans.....	.....1,633,652	.....1,840,228
6.	Cash, cash equivalents and short-term investments	(e) .....74,229	.....97,520
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....7,166	.....7,166
10.	Total gross investment income	4,308,541	4,598,511
11.	Investment expenses		(g) .....300,939
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....10,333
13.	Interest expense		(h) .....0
14.	Depreciation on real estate and other invested assets		(i) .....0
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....311,272
17.	Net Investment Income - (Line 10 minus Line 16)		4,287,239
DETAILS OF WRITE-INS			
0901.	Miscellaneous Investment Income.....	.....7,166	.....7,166
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	7,166	7,166
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

(a) Includes \$46,717 accrual of discount less \$371,078 amortization of premium and less \$125,475 paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued dividends on purchases.
(c) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$interest on capital notes.
(i) Includes \$depreciation on real estate and \$depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Total
1.	U.S. Government bonds .....	.....(3,463)	.....0	.....0	.....(3,463)
1.1	Bonds exempt from U.S. tax .....	.....0	.....0	.....0	.....0
1.2	Other bonds (unaffiliated) .....	.....91,699	.....(19,517)	.....0	.....72,182
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....0
5.	Contract loans .....	.....0	.....0	.....0	.....0
6.	Cash, cash equivalents and short-term investments .....	.....0	.....0	.....0	.....0
7.	Derivative instruments .....	.....0	.....0	.....0	.....0
8.	Other invested assets .....	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	88,236	(19,517)	0	68,719
DETAILS OF WRITE-INS					
0901.	.....			
0902.	.....			
0903.	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page0000
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH POLICIES AND CONTRACTS

	1	2	Ordinary		5	Group		Accident and Health			11
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
FIRST YEAR (other than single)											
1. Uncollected .....	.0										
2. Deferred and accrued .....	.0										
3. Deferred , accrued and uncollected:											
3.1 Direct .....	.0										
3.2 Reinsurance assumed .....	.0										
3.3 Reinsurance ceded .....	.0										
3.4 Net (Line 1 + Line 2) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Advance .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
5. Line 3.4 - Line 4 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Collected during year:											
6.1 Direct .....	.0										
6.2 Reinsurance assumed .....	.0										
6.3 Reinsurance ceded .....	.0										
6.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Line 5 + Line 6.4 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Prior year (uncollected + deferred and accrued - advance) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. First year premiums and considerations:											
9.1 Direct .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
9.4 Net (Line 7 - Line 8) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
SINGLE											
10. Single premiums and considerations:											
10.1 Direct .....	.0										
10.2 Reinsurance assumed .....	.0										
10.3 Reinsurance ceded .....	.871,343		.871,343								
10.4 Net	(871,343)	.0	(871,343)	.0	.0	.0	.0	.0	.0	.0	.0
RENEWAL											
11. Uncollected .....	.0										
12. Deferred and accrued .....	.0										
13. Deferred, accrued and uncollected:											
13.1 Direct .....	.0										
13.2 Reinsurance assumed .....	.0										
13.3 Reinsurance ceded .....	.0										
13.4 Net (Line 11 + Line 12) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
14. Advance .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
15. Line 13.4 - Line 14 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
16. Collected during year:											
16.1 Direct .....	.0										
16.2 Reinsurance assumed .....	.0										
16.3 Reinsurance ceded .....	.0										
16.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
17. Line 15 + Line 16.4 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
18. Prior year (uncollected + deferred and accrued - advance) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19. Renewal premiums and considerations:											
19.1 Direct .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
19.4 Net (Line 17 - Line 18)	0	0	0	0	0	0	0	0	0	0	0
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
20.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
20.3 Reinsurance ceded .....	.871,343	.0	.871,343	.0	.0	.0	.0	.0	.0	.0	.0
20.4 Net (Line 9.4 + 10.4 + 19.4)	(871,343)	0	(871,343)	0	0	0	0	0	0	0	0

EXHIBIT 1 - PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (direct business only)

	1	2	Ordinary		5	Group		Accident and Health			11
	Total	Industrial Life	Life Insurance	Individual Annuities	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)	Other	Aggregate of All Other Lines of Business
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums (Exhibit 4, Line 1)	0										
22. All other (Exhibit 4, Lines 2, 3 & 4)	0										
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded	0										
23.2 Reinsurance assumed	0										
23.3 Net ceded less assumed	0	0	0			0	0	0	0	0	0
24. Single:											
24.1 Reinsurance ceded	0										
24.2 Reinsurance assumed	0										
24.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
25. Renewal:											
25.1 Reinsurance ceded	0										
25.2 Reinsurance assumed	0										
25.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	0	0	0	0	0	0	0	0	0	0	0
26.2 Reinsurance assumed (Page 6, Line 22)	0	0	0	0	0	0	0	0	0	0	0
26.3 Net ceded less assumed	0	0	0	0	0	0	0	0	0	0	0
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)	0										
28. Single	0										
29. Renewal	0										
30. Deposit-type contract funds	0										
31. Totals (to agree with Page 6, Line 21)	0	0	0	0	0	0	0	0	0	0	0

NONE

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5	6
	1	Accident and Health		4		
		2	3			
	Life	Cost Containment	All Other	All Other Lines of Business	Investment	Total
1. Rent	2,644				13,885	16,529
2. Salaries and wages	28,387				149,094	177,481
3.11 Contributions for benefit plans for employees	4,829				25,365	30,194
3.12 Contributions for benefit plans for agents	(264)					(264)
3.21 Payments to employees under non-funded benefit plans						0
3.22 Payments to agents under non-funded benefit plans						0
3.31 Other employee welfare	375				1,971	2,346
3.32 Other agent welfare						0
4.1 Legal fees and expenses	1,740				9,139	10,879
4.2 Medical examination fees	1,263					1,263
4.3 Inspection report fees	14					14
4.4 Fees of public accountants and consulting actuaries	551				2,891	3,442
4.5 Expense of investigation and settlement of policy claims	(225)					(225)
5.1 Traveling expenses	962				5,051	6,013
5.2 Advertising	1,129				5,931	7,060
5.3 Postage, express, telegraph and telephone	1,247				6,548	7,795
5.4 Printing and stationery	953				5,003	5,956
5.5 Cost or depreciation of furniture and equipment	1,278				6,711	7,989
5.6 Rental of equipment	120				630	750
5.7 Cost or depreciation of EDP equipment and software	358				1,881	2,239
6.1 Books and periodicals	56				293	349
6.2 Bureau and association fees	134				703	837
6.3 Insurance, except on real estate	110				578	688
6.4 Miscellaneous losses	(3,273)					(3,273)
6.5 Collection and bank service charges	200,113					200,113
6.6 Sundry general expenses	5,037				26,457	31,494
6.7 Group service and administration fees						0
6.8 Reimbursements by uninsured accident and health plans						0
7.1 Agency expense allowance						0
7.2 Agents' balances charged off (less \$recovered)						0
7.3 Agency conferences other than local meetings					1	1
9.1 Real estate expenses						0
9.2 Investment expenses not included elsewhere						0
9.3 Aggregate write-ins for expenses	7,388	0	0	0	38,807	46,195
10. General expenses incurred	254,926	0	0	0	300,939	(a) 555,865
11. General expenses unpaid December 31, prior year	0	0	0	0	0	0
12. General expenses unpaid December 31, current year						0
13. Amounts receivable relating to uninsured accident and health plans, prior year	0	0	0	0	0	0
14. Amounts receivable relating to uninsured accident and health plans, current year						0
15. General expenses paid during year (Lines 10+11-12-13+14)	254,926	0	0	0	300,939	555,865
DETAILS OF WRITE-INS						
09.301. Home Office.....	7,323				38,464	45,787
09.302. SLUS Chargeback.....	65				343	408
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page	0	0	0	0	0	0
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	7,388	0	0	0	38,807	46,195

(a) Includes management fees of \$ 374,755 to affiliates and \$ to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4	5
	1	2	3		
	Life	Accident and Health	All Other Lines of Business	Investment	Total
1. Real estate taxes					0
2. State insurance department licenses and fees	2,685				2,685
3. State taxes on premiums					0
4. Other state taxes, incl. \$ for employee benefits	262			1,378	1,640
5. U.S. Social Security taxes	1,705			8,955	10,660
6. All other taxes					0
7. Taxes, licenses and fees incurred	4,652	0	0	10,333	14,985
8. Taxes, licenses and fees unpaid December 31, prior year ..	0	0	0	0	0
9. Taxes, licenses and fees unpaid December 31, current year ..					0
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	4,652	0	0	10,333	14,985

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1	2
	Life	Accident and Health
1. Applied to pay renewal premiums		
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total Lines 1 thru 4	0	0
6. Paid in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options	0	0
9. Total Lines 5 thru 8	0	0
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 thru 14	0	0
16. Total from prior year	0	0
17. Total Dividends or refunds (Lines 9 + 15 - 16)	0	0
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

[illegible]



1.1.	Has the reporting entity ever issued both participating and non-participating contracts?.....	Yes []	No [X]
1.2.	If not, state which kind is issued		
	Non-participating		
2.1.	Does the reporting entity at present issue both participating and non-participating contracts?	Yes []	No [X]
2.2.	If not, state which kind is issued		
	Non-participating		
3.	Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?	Yes [X]	No []
	If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the Instructions.		
4.	Has the reporting entity any assessment or stipulated premium contracts in force?	Yes []	No [X]
4.1	Amount of insurance?.....	\$	
4.2	Amount of reserve?.....	\$	
4.3	Basis of reserve:		
		
4.4	Basis of regular assessments:		
		
4.5	Basis of special assessments:		
		
4.6	Assessments collected during the year	\$	
5.	If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.		
		
6.	Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?	Yes []	No [X]
6.1	If so, state the amount of reserve on such contracts on the basis actually held:.....	\$	
6.2	That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:.....	\$	
	Attach statement of methods employed in their valuation.		
7.	Does the reporting entity have any Synthetic GIC contracts, or agreements in effect as of December 31 of the current year?	Yes []	No [X]
7.1	If yes, state the total dollar amount of assets covered by these contracts or agreements?.....	\$	
7.2	Specify the basis (fair value, amortized cost, etc.) for determining the amount:		
		
7.3	State the amount of reserves established for this business:.....	\$	
7.4	Identify where the reserves are reported in the blank:		
		

1	Valuation Basis		4
Description of Valuation Class	2 Changed From	3 Changed To	Increase in Actuarial Reserve Due to Change
LIFE CONTRACTS (Including supplementary contracts set upon a basis other than that used to determine benefits) (Exhibit 5)			
0199999 - Subtotal (Page 7, Line 6)	XXX	XXX	
ACCIDENT AND HEALTH CONTRACTS (Exhibit 6)			
0299999 - Subtotal	XXX	XXX	
DEPOSIT-TYPE CONTRACTS (Exhibit 7)	NONE		
0399999 - Subtotal	XXX	XXX	
9999999 - Total (Column 4, only)			

EXHIBIT 6 - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS

		1	2	3	4	Other Individual Contracts				
						5	6	7	8	9
		Total	Group Accident and Health	Credit Accident and Health (Group and Individual)	Collectively Renewable	Non-Cancelable	Guaranteed Renewable	Non-Renewable for Stated Reasons Only	Other Accident Only	All Other
ACTIVE LIFE RESERVE										
1. Unearned premium reserve		0								
2. Additional contract reserves (a)		0								
3. Additional actuarial reserves-Asset/Liability analysis		0								
4. Reserve for future contingent benefits		0								
5. Reserve for rate credits		0								
6. Aggregate write-ins for reserves		0	0	0	0	0	0	0	0	0
7. Totals (Gross)		0	0	0	0	0	0	0	0	0
8. Reinsurance ceded		0								
9. Totals (Net)		0	0	0	0	0	0	0	0	0
CLAIM RESERVE										
10. Present value of amounts not yet due on claims		0								
11. Additional actuarial reserves-Asset/Liability analysis		0								
12. Reserve for future contingent benefits		0								
13. Aggregate write-ins for reserves		0	0	0	0	0	0	0	0	0
14. Totals (Gross)		0	0	0	0	0	0	0	0	0
15. Reinsurance ceded		0								
16. Totals (Net)		0	0	0	0	0	0	0	0	0
17. TOTAL (Net)		0	0	0	0	0	0	0	0	0
TABULAR FUND INTEREST										
DETAILS OF WRITE-INS										
0601.										
0602.										
0603.										
0698.		0	0	0	0	0	0	0	0	0
0699. TOTALS (Lines 0601 thru 0603 plus 0698) (Line 6 above)		0	0	0	0	0	0	0	0	0
1301.										
1302.										
1303.										
1398.		0	0	0	0	0	0	0	0	0
1399. TOTALS (Lines 1301 thru 1303 plus 1398) (Line 13 above)		0	0	0	0	0	0	0	0	0

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	65,171			65,171		
2. Deposits received during the year	0					
3. Investment earnings credited to the account	2,675			2,675		
4. Other net change in reserves	0					
5. Fees and other charges assessed	0					
6. Surrender charges	0					
7. Net surrender or withdrawal payments	29,029			29,029		
8. Other net transfers to or (from) Separate Accounts	(809)			(809)		
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	39,626	0	0	39,626	0	0
10. Reinsurance balance at the beginning of the year	0					
11. Net change in reinsurance assumed	0					
12. Net change in reinsurance ceded	0					
13. Reinsurance balance at the end of the year (Lines 10+11-12)	0	0	0	0	0	0
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	39,626	0	0	39,626	0	0

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year										
	1	2	Ordinary			6	Group		Accident and Health	
			3	4	5		7	8	9	10
	Total	Industrial Life	Life Insurance	Individual Annuities	Supplementary Contracts	Credit Life (Group and Individual)	Life Insurance	Annuities	Group	Credit (Group and Individual)
1. Due and unpaid:										
1.1 Direct	0		0							
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0		0							
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. In course of settlement:										
2.1 Resisted										
2.11 Direct	0									
2.12 Reinsurance assumed	0									
2.13 Reinsurance ceded	0									
2.14 Net	0	0	0	0	0	0	0	0	0	0
2.2 Other										
2.21 Direct	144,936		144,936							
2.22 Reinsurance assumed	0									
2.23 Reinsurance ceded	37,519		37,519							
2.24 Net	107,417	0	107,417	0	0	0	0	0	0	0
3. Incurred but unreported:										
3.1 Direct	261,523		261,523							
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	84,085		84,085							
3.4 Net	177,438	0	177,438	0	0	0	0	0	0	0
4. TOTALS										
4.1 Direct	406,459	0	406,459	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	121,604	0	121,604	0	0	0	0	0	0	0
4.4 Net	284,855	0	284,855	0	0	0	0	0	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ in Column 2, \$ in Column 3 and \$ in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ Individual Annuities \$, Credit Life (Group and Individual) \$, and Group Life \$, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ Credit (Group and Individual) Accident and Health \$, and Other Accident and Health \$ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year										
	1	2	Ordinary		6	Group			Accident and Health	
			3	4		7	8	9	10	11
	Total	Industrial Life (a)	Life Insurance (b)	Individual Annuities	Supplementary Contracts	Life Insurance (c)	Annuities	Group	Credit (Group and Individual)	Other
1. Settlements During the Year:										
1.1 Direct	2,367,651		2,336,429		31,222					
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	1,125,496		1,125,496							
1.4 Net	1,242,155	0	1,210,933	0	31,222	0	0	0	0	0
2. Liability December 31, current year from Part 1:										
2.1 Direct	406,459	0	406,459	0	0	0	0	0	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	121,604	0	121,604	0	0	0	0	0	0	0
2.4 Net	284,855	0	284,855	0	0	0	0	0	0	0
3. Amounts recoverable from reinsurers December 31, current year	233,325		233,325							
4. Liability December 31, prior year:										
4.1 Direct	111,398	0	111,398	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	83,273	0	83,273	0	0	0	0	0	0	0
4.4 Net	28,125	0	28,125	0	0	0	0	0	0	0
5. Amounts recoverable from reinsurers December 31, prior year	280,653	0	280,653	0	0	0	0	0	0	0
6. Incurred benefits:										
6.1 Direct	2,662,712	0	2,631,490	0	31,222	0	0	0	0	0
6.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
6.3 Reinsurance ceded	1,116,499	0	1,116,499	0	0	0	0	0	0	0
6.4 Net	1,546,213	0	1,514,991	0	31,222	0	0	0	0	0

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.

(b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 6.1 and \$ in Line 6.4.

(c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 6.4.

(d) Includes \$ premiums waived under total and permanent disability benefits.

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash, (Schedule E, Part 1), cash equivalents (Schedule E, Part 2) and short -term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Other invested assets (Schedule BA)	0	0	0
8. Receivables for securities	0	0	0
9. Aggregate write-ins for invested assets	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	0	0	0
11. Title plants (for Title insurers only).....	0		0
12. Investment income due and accrued	0	0	0
13. Premiums and considerations:			
13.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
13.3 Accrued retrospective premium.....	0	0	0
14. Reinsurance:			
14.1 Amounts recoverable from reinsurers	0	131,096	131,096
14.2 Funds held by or deposited with reinsured companies	0	0	0
14.3 Other amounts receivable under reinsurance contracts	0	0	0
15. Amounts receivable relating to uninsured plans	0	0	0
16.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
16.2 Net deferred tax asset.....	1,655,585	1,782,405	126,820
17. Guaranty funds receivable or on deposit	0	0	0
18. Electronic data processing equipment and software.....	0	0	0
19. Furniture and equipment, including health care delivery assets.....	0	0	0
20. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
21. Receivables from parent, subsidiaries and affiliates	0	0	0
22. Health care and other amounts receivable.....	0	0	0
23. Aggregate write-ins for other than invested assets	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	1,655,585	1,913,501	257,916
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
26. Total (Lines 24 and 25)	1,655,585	1,913,501	257,916
DETAILS OF WRITE-INS			
0901.	0	0	0
0902.	0	0	0
0903.			
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0
2301.	0	0	0
2302.	0	0	0
2303.	0	0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

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NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of the Independence Life and Annuity Company (“the Company”) are presented on the basis of accounting practices prescribed or permitted by the Rhode Island Insurance Division.

The Rhode Island Insurance Division recognizes only statutory accounting practices prescribed or permitted by the State of Rhode Island for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Rhode Island Insurance Division Law. The National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”), has been adopted as a component of prescribed or permitted practices by the State of Rhode Island. As of December 31, 2005, the Commissioner has not permitted the Company to use any accounting practices that would result in the Company’s earnings or financial position to deviate materially from NAIC SAP.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

The reserves for life insurance and annuity contracts are computed in accordance with presently accepted actuarial standards, and are based on actuarial assumptions and methods (including use of published mortality tables and prescribed interest rates) which produce reserves at least as great as those required by law and contract provisions.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the modified scientific method.
- (3) The Company has no investments in unaffiliated common stocks.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no investments in mortgage loans on real estate.
- (6) Loan-backed securities are stated at amortized cost using the retrospective adjustment method. The effective yield is based on the yield to worst method.
- (7) The Company has no investments in subsidiaries.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no investments in derivatives.
- (10) Not applicable
- (11) Not applicable
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Not applicable

2. Accounting Changes and Corrections of Errors

- A. During the regulatory examination of the Company's 2003 financial statements, two adjustments in the calculation of both aggregate reserves for life contracts and contract claims life were identified. For the year ended December 31, 2003, aggregate reserves for life contracts (Liabilities Page 3, Line 1) and increase for aggregate reserves for life and health contracts (Summary of Operation, Line 19) were understated by \$1,300,000 and contract claims life (Liabilities Page 3, Line 4.1) and death benefits (Summary of Operations, Line 10) were understated by \$35,000. Line 1 and Line 4.1 on

NOTES TO FINANCIAL STATEMENTS

the Liabilities Page and Lines 43 and 5302 of the Summary of Operations have been adjusted in the prior year, respectively.

3.

Business Combinations and Goodwill

None
4.

Discontinued Operations

None
5.

Investments

A.

Mortgage Loans, Including Mezzanine Real Estate Loans

None

B.

Debt Restructuring

None

C.

Reverse Mortgages

None

D.

Loan-Backed Securities

(1) The Company has elected to use the book value as of January 1, 1996 as the cost for applying the retrospective adjustment method to securities purchased prior to that date.

(2) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from a third party vendor.

(3) In 2005, the Company did not change from the retrospective methodology on its loan-backed securities.

E.

Repurchase Agreements

None

F.

Real Estate

None

6.

Joint Ventures, Partnerships and Limited Liability Companies

A.

The Company had no investments in joint ventures, partnerships or limited liability companies at December 31, 2005.

B.

Not applicable

7.

Investment Income

A.

The Company’s policy is to exclude all investment income due and accrued with amounts that are over 90 days past due or where the collection of interest is uncertain.

B.

The Company has no investment income due and accrued excluded from surplus as of and for the year ended December 31, 2005.

8.

Derivative Instruments

None

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31, 2005 and 2004 were as follows:

	2005	2004
Total of Gross Deferred Tax Assets	\$ 2,020,797	\$ 2,161,754
Total of Deferred Tax Liabilities	83,927	104,492
Net Deferred Tax Asset	\$ 1,936,870	\$ 2,057,262
Total Non-admitted Deferred Tax Assets	1,655,585	\$ 1,782,405
Net Admitted Deferred Tax Asset	\$ 281,285	\$ 274,857

B. Not applicable

C. Current income tax expense (benefit) for the years ended December 31, 2005 and 2004 was as follows:

	2005	2004
Federal Tax on Operations	\$ 1,106,702	\$ 79,191
Foreign Tax on Operations	0	0
Federal Tax on Capital Gains	45,005	8,665
Federal and Foreign Income Taxes Incurred	\$ 1,151,707	\$ 87,856

The main components of the 2005 deferred tax amounts are as follows:

DTA	December 31, 2005	December 31, 2004
Reserves	\$ 545,290	\$ 499,373
Deferred Acquisition Costs	1,078,813	1,261,148
Investment Assets	114,142	100,020
Goodwill	247,500	270,110
Other / Miscellaneous	35,053	31,103
Total DTA's	\$ 2,020,797	\$ 2,161,754
DTA's non-admitted	\$ 1,655,585	\$ 1,782,405
DTL	December 31, 2005	December 31, 2004
Investment Assets	\$ 83,927	\$ 76,251
Other / Miscellaneous	0	28,241
Total DTL's	\$ 83,927	\$ 104,492

D. Among the more significant book to tax differences are the following at December 31, 2005:

	Amount	Tax Effect
Income before taxes	\$ 4,048,008	\$ 1,416,803
Capital Gains - Pre IMR	88,236	30,883
Prior Year over/under accrual		(60,720)
Dividend Received Deduction		(52,500)
IMR		(62,367)
Total		\$ 1,272,099
Federal Current Tax Expense		\$ 1,151,707
Change in Net Deferred Tax Expense (Benefit)		120,392
Prior Period Current Tax		0
Total Expense (Benefit)		\$ 1,272,099

E. At December 31, 2005 the Company had \$0 of NOL carry forwards.

F. Information regarding consolidated federal income tax return

(1) For tax years 2004 through 2006, the Company will file as a stand alone company. Beginning in 2007, the Company will be eligible to file a

NOTES TO FINANCIAL STATEMENTS

consolidated return with Sun Life Assurance Company of Canada - U.S. Operations Holdings, Inc. ("US Holdco").

(2) The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future losses:

2005	\$1,176,576
2004	150,144

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Effective December 31, 2003, the Company became a wholly owned subsidiary of Sun Life Assurance Company of Canada (U.S.) ("Sun Life (U.S.)"), an affiliate, when its former parent, Keyport Life Insurance Company, merged with and into Sun Life (U.S). Sun Life (U.S.) is a Delaware domestic insurance company and a wholly owned direct subsidiary of Sun Life of Canada (U.S.) Holdings, Inc. The ultimate parent within the Sun Life Financial Group Insurance Holding Company System is Sun Life Financial Inc., a publicly traded Canadian holding company.

On January 4, 2005, a reorganization was completed under which most of Sun Life Assurance Company of Canada's asset management businesses in Canada and the United States were transferred to Sun Life Financial Corp., a newly incorporated wholly-owned subsidiary of Sun Life Financial Inc. After this reorganization, the operations remaining in Sun Life Assurance Company of Canada consist primarily of Sun Life Financial Inc.'s life, health and annuities businesses in Canada, most of Sun Life Financial Inc.'s life and health businesses in the United States, and all of its operations in the United Kingdom and Asia. Sun Life Assurance Company of Canada continues to be a wholly-owned direct subsidiary of Sun Life Financial Inc. Sun Life Assurance Company of Canada (U.S.), Sun Life Insurance and Annuity Company of New York, and the Company are now indirect subsidiaries of Sun Life Financial Corp., and continue to be indirect subsidiaries of Sun Life Financial Inc.

B. The Company had no material related party transactions during 2005 and 2004.

C. Not applicable

D. The Company had \$384,204 and \$221,242 due to related parties at December 31, 2005 and 2004, respectively, under the terms of various management and service contracts which provide for cash settlements on a quarterly or more frequent basis.

E. Guarantees or undertakings for the benefit of an affiliate:

The Company has no guarantees or undertakings for the benefit of an affiliate.

F. Material management and service contracts and all cost sharing arrangements involving the Company and any related party are as follows:

(1) An administrative services agreement between the Company, Sun Life Assurance Company of Canada, and Sun Life Assurance Company of Canada (U.S.), whereby Sun Life Assurance Company of Canada (U.S.), upon request, provides personnel, facilities, and actuarial, legal, and other administrative services to the Company on a cost reimbursement basis.

Reference GSA-14

(2) An investment advisory agreement between the Company and Sun Capital Advisers LLC, under which Sun Capital Advisers LLC acts as investment manager for certain of the Company's portfolios. Reference ISA-16

(3) A principal underwriter's agreement between the Company and Clarendon Insurance Agency, Inc. (formerly Keyport Financial Services Corp.), whereby Clarendon Insurance Agency, Inc. provides underwriting and distribution services in connection with certain single premium variable life policies (Variable Life Separate Account) issued by the Company. Reference MSA-26

G. All outstanding shares of the Company are owned by the Sun Life (U.S).

H. The Company does not own shares directly or indirectly in an upstream intermediate entity or ultimate parent.

I. The Company does not have investments in subsidiary, controlled or affiliated entities.

J. Not applicable

NOTES TO FINANCIAL STATEMENTS

- K.

Not applicable
11.

Debt

A.

Capital Notes

None

B.

All Other Debt

None
12.

Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A.

Defined Benefit Plans

None

B.

Defined Contribution Plans

None

C.

Multitemployer Plans

None

D.

Consolidated/Holding Company Plans

None

E.

Postemployment Benefit and Compensated Absences

None
13.

Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations.

1.

The Company is authorized to issue 5,000,000 shares of \$1 par value common stock; 2,541,722 shares are issued and outstanding.

2.

The Company has no preferred stock.

3.

The Company's ability to pay dividends is subject to certain restrictions. Rhode Island law requires prior regulatory approval for any dividend where the amount of such dividend paid during the preceding twelve (12) month period would exceed the lesser of (i) ten percent of the insurance company's surplus as of the December 31 next preceding, or (ii) its net gain from operations, not including realized capital gains, for the immediately preceding calendar year, excluding pro rata distributions of any class of the insurance company's own securities. No dividends were paid by Independence Life during 2005 or 2004.

4.

Within the limitations of 13(3.) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to its shareholder.

5.

There were no restrictions placed on the Company's surplus and all surplus is held for the benefit of the stockholder.

6.

There were no advances to surplus.

7.

The Company held no stock for special purposes at December 31, 2005.

8.

Not applicable

9.

The portion of unassigned funds (surplus) represented or reduced by:

(1) Unrealized gains and losses	\$ 0
---------------------------------	------

10.

Surplus Notes

None
- 19.5

NOTES TO FINANCIAL STATEMENTS

11.

The impact of the restatement in a quasi reorganization as long as financial statements for the period of the reorganization are presented.

Not applicable
12.

The effective date of a quasi-reorganization for a period of ten years following the reorganization.

Not applicable
14.

Contingencies

A.

Contingent Commitments

The Company has no material contingent liabilities as of December 31, 2005.

B.

Assessments

There were no assessments that could have a material financial effect on the financial condition of the Company at December 31, 2005.

C.

Gain Contingencies

Not applicable

D.

All Other Contingencies

The Company is not aware of any contingent liabilities or impairment of assets arising from litigation, income taxes and other matters beyond the ordinary course of business that could have a material effect upon the financial condition of the Company.
15.

Leases

A.

(1)

a,b,c.

The Company leases a facility and equipment under a noncancelable operating lease agreement that expires on June 30, 2006. Rental expense for 2005 was approximately \$17,000.

d.

None

(2)

a.

At December 31, 2005, the minimum aggregate rental commitments are as follows:

Year Ending December 31,	
2006	\$ 3,300
2007	0
2008	0
2009	0
2010	0
	<u>\$ 3,300</u>

b.

The Company has no outstanding sublease agreements.

(3)

The Company is not involved in any material sale-leaseback transactions.
- B.

Not applicable

16.

Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
- A. Transfers of Receivables reported as Sales

None

B. Transfer and Servicing of Financial Assets

None

C. Wash Sales

None
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
- None
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
- None
20. September 11 Events
- (1)-(4) The national tragedy of September 11, 2001 has had an adverse impact on the airline, hotel and hospitality businesses. The Company has fixed maturities invested in entities associated with these industries. The Company has considered the recoverability of these investments as of December 31, 2005 and has and has recorded a provision of \$19,517. The Company will continue to monitor the recoverability of these investments to determine if any other-than-temporary declines due to the decrease in market value are necessary. The Company has reviewed its insurance contracts to quantify potential losses, if any, as a result of the tragedy and has determined that there is no material claims exposure to the Company.
21. Other Items
- A. Extraordinary Items

None

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures

Bonds with a book/adjusted carrying value of approximately \$6,212,000 and \$6,216,00 at December 31, 2005 and 2004, respectively, were on deposit with governmental authorities as required by law.

Certain reclassifications have been made in the 2004 financial statements to conform to the classifications used in 2005.

The amounts in this statement pertain to the entire Company's business including, as appropriate, its separate account business.

D. Not applicable

E. Business Interruption Insurance Recoveries

Not applicable

F. Not applicable
22. Events Subsequent
- None

NOTES TO FINANCIAL STATEMENTS

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
Yes () No (X)

If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?
Yes () No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. Not applicable

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? Not applicable

(2) Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 0

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?
Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? Not applicable

B. Uncollectible Reinsurance

None

C. Commutation of Ceded Reinsurance

None

NOTES TO FINANCIAL STATEMENTS

24.

Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable
25.

Change in Incurred Losses and Loss Adjustment Expenses

Not applicable
26.

Intercompany Pooling Arrangements

None
27.

Structured Settlements

Not applicable
28.

Health Care Receivables

Not applicable
29.

Participating Policies

Not applicable
30.

Premium Deficiency Reserves

Not applicable
31.

Reserves for Life Contracts and Deposit-Type Contracts

1.

The Company does not have in-force any recurring premium life insurance business.
Surrender values are not promised in excess of reserves as legally computed.

2.

Not applicable

3.

Not applicable

4.

The Tabular Interest has been determined from basic policy data for reserving.

The Tabular less Actual Reserve Released has been determined by formula as described in the instructions.

The Tabular Cost has been determined from basic policy data for reserving.

5.

Not applicable

6.

There are no other reserve changes.

NOTES TO FINANCIAL STATEMENTS

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

	(1) <u>Amount</u>	(2) <u>% of Total</u>
A. Subject to discretionary withdrawal:		
(1) With market value adjustment	\$ 0	
(2) At book value less current surrender charge of 5% or more	0	
(3) At fair value	<u>0</u>	
(4) Total with adjustment or at market value (Total of (1) - (3))	0	
(5) At book value without adjustment (minimal or no charge or adjustment)	387,790	46.695%
B. Not subject to discretionary withdrawal	<u>442,681</u>	<u>53.305%</u>
C. Total (Gross: Direct +Assumed)	830,471	100.000%
D. Reinsurance ceded	<u>0</u>	
E. Total (net)* (C) – (D)	<u>\$ 830,471</u>	

*Reconciliation of total annuity actuarial reserves and deposit fund liabilities:

F. Life & Accident & Health Annual Statement:	<u>Amount</u>
(1) Exhibit 5, Annuities Section, Total (net)	\$ 387,790
(2) Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	403,055
(3) Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	<u>39,626</u>
(4) Subtotal	830,471
Separate Accounts Annual Statement:	
(5) Exhibit 3, Line 0299999, Column 2	\$ 0
(6) Exhibit 3, Line 0399999, Column 2	0
(7) Policyholder dividend and coupon accumulations	0
(8) Policyholder premiums	0
(9) Guaranteed interest contracts	0
(10) Other contract deposit funds	0
(11) Subtotal	<u>0</u>
(12) Combined Total	<u>\$ 830,471</u>

33. Premium and Annuity Considerations Deferred and Uncollected

None

NOTES TO FINANCIAL STATEMENTS

34. Separate Accounts

A. General Nature and Characteristics of Separate Accounts Business:

The Company maintains a closed block of variable life insurance business. Information regarding the separate accounts of the Company is as follows:

	(1)	(2)	(3)	(4)	(5)
		Nonindexed	Nonindexed	Nonguaranteed	
		Guarantee Less	Guarantee	Separate	
	Indexed	than/equal to	More than 4%	Accounts	Total
		4%			
(1) Premiums, considerations or deposits for year ended 12/31/05	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Reserves at 12/31/05					
(2) For accounts with assets at:					
a. Fair Value	0	0	0	74,394,497	74,394,497
b. Amortized Cost	0	0	0	0	0
c. Total Reserves	\$ 0	\$ 0	\$ 0	\$ 74,394,497	\$ 74,394,497
(3) By withdrawal characteristics					
a. Subject to discretionary withdrawal:	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b. With MV adjustment	0	0	0	0	0
c. At book value without MV adjustment and with Current surrender charge of 5% or more	0	0	0	0	0
d. At fair value	0	0	0	74,394,497	74,394,497
e. At book value without MV adjustment and with Current surrender charge less than 5%	0	0	0	0	0
f. Subtotal	0	0	0	74,394,497	74,394,497
g. Not subject to Discretionary withdrawal	0	0	0	0	0
h. Total	\$ 0	\$ 0	\$ 0	\$ 74,394,497	\$ 74,394,497
(4) Reserves for Asset Default Risk in Lieu of AVR					
Not applicable					

B. Reconciliation of Net Transfers To or (From) Separate Accounts

(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:

a. Transfers to Separate Accounts (Page 4, Line 1.4)	\$ 0
b. Transfers from Separate Accounts (Page 4, Line 10)	3,174,216
c. Net transfers to or (from) Separate Accounts	3,174,216

(2) Reconciling adjustments: 0

(3) Transfers as reported in the Summary of Operations of the Life, Accident & Health Annual Statement (Page 4, Line 26) \$ (3,174,216)

35. Loss/Claim Adjustment Expenses

Not applicable

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. treasury securities	7,588,073	7.998	7,588,073	7.998
1.2 U.S. government agency obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)	514,140	0.542	514,140	0.542
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000		0.000
1.43 Revenue and assessment obligations		0.000		0.000
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Issued or guaranteed by GNMA	574,956	0.606	574,956	0.606
1.512 Issued or guaranteed by FNMA and FHLMC	1,354,970	1.428	1,354,970	1.428
1.513 All other	1,892,766	1.995	1,892,766	1.995
1.52 CMOs and REMICs:				
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA		0.000		0.000
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521		0.000		0.000
1.523 All other	8,137,809	8.577	8,137,809	8.577
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	27,035,802	28.496	27,035,802	28.496
2.2 Unaffiliated foreign securities	7,081,808	7.464	7,081,808	7.464
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds		0.000		0.000
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated		0.000		0.000
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
4.6 Mezzanine real estate loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (including \$of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (including \$ property acquired in satisfaction of debt)		0.000	0	0.000
6. Contract loans	37,839,182	39.884	37,839,182	39.884
7. Receivables for securities	11,187	0.012	11,187	0.012
8. Cash, cash equivalents and short-term investments	2,843,544	2.997	2,843,544	2.997
9. Other invested assets		0.000		0.000
10. Total invested assets	94,874,237	100.000	94,874,237	100.000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating?

Rhode Island
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2003
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2003
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

03/09/2005
- 3.4

By what department or departments? State of Rhode Island Department of Business Regulation Insurance Division
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes [] No [X]

4.12 renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes [] No [X]

4.22 renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [X] No []
- 7.2

If yes,

7.21 State the percentage of foreign control;

100.0

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity
Canada	Corporation

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [X] No []
- 8.4

If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
IFMG Securities, Inc.	Purchase, NY					Yes
Massachusetts Financial Services Company	Boston, MA					Yes
MFS Institutional Advisers, Inc.	Boston, MA					Yes
Vertex Investment Management, Inc.	Boston, MA					Yes
MFS Service Center, Inc.	Boston, MA					Yes
MFS Heritage Trust Company	Boston, MA					Yes
MFS Original Research Partners, LLC	Boston, MA					Yes
Sun Life Financial Distributors, Inc.	Wellesley Hills, MA					Yes
Clarendon Insurance Agency, Inc.	Wellesley Hills, MA					Yes
Sun Capital Advisers, LLC	Wellesley Hills, MA					Yes
Altrinsic Global Advisors, LLC	Old Greenwich, CT					Yes
Webb Capital Management LLP	San Francisco, CA					Yes
BPI Global Asset Management LLP	Orlando, FL					Yes

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte & Touche, Boston, MA
10.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Steven H. Schoen, FSA, MAAA, One Sun Life Executive Park, Wellesley Hills, MA, Vice President
- 11.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]

11.11

Name of real estate holding company

11.12

Number of parcels involved

11.13

Total book/adjusted carrying value

\$
- 11.2

If yes, provide explanation
12.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 12.1

What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?
- 12.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 12.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 12.4

If answer to (12.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] NA []

BOARD OF DIRECTORS

13.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [X] No []
14.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [X] No []
15.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or likely to conflict with the official duties of such person?

Yes [X] No []

FINANCIAL

- 16.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

16.11

To directors or other officers

\$

16.12

To stockholders not officers

\$

16.13

Trustees, supreme or grand (Fraternal only)

\$
- 16.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

16.21

To directors or other officers

\$

16.22

To stockholders not officers

\$

16.23

Trustees, supreme or grand (Fraternal only)

\$
- 17.1

Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement?

Yes [] No [X]
- 17.2

If yes, state the amount thereof at December 31 of the current year:

17.21

Rented from others

\$

17.22

Borrowed from others

\$

17.23

Leased from others

\$

17.24

Other

\$
- 18.1

Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?

Yes [] No [X]
- 18.2

If answer is yes,

18.21

Amount paid as losses or risk adjustment

\$

18.22

Amount paid as expenses

\$

18.23

Other amounts paid

\$
- 19.1

Does the reporting entity report any amounts due from the parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]
- 19.2

If yes, indicated any amounts receivable from parent included in the Page 2 amount:

\$

GENERAL INTERROGATORIES
INVESTMENT

20.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [X] No []

20.2 If no, give full and complete information relating thereto:

21.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 17.1) Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21

Loaned to others

\$.....

21.22

Subject to repurchase agreements

\$.....

21.23

Subject to reverse repurchase agreements

\$.....

21.24

Subject to dollar repurchase agreements

\$.....

21.25

Subject to reverse dollar repurchase agreements

\$.....

21.26

Pledged as collateral

\$.....

21.27

Placed under option agreements

\$.....

21.28

Letter stock or other securities restricted as to sale ...

\$.....

21.29

Other

\$.....

21.3 For category (21.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....

22.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

22.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.

23.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

23.2 If yes, state the amount thereof at December 31 of the current year. \$.....

GENERAL INTERROGATORIES

24. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 – General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []

24.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
Mellon Trust.....	Global Securities Services, Client Service Division, 135 Santilli Highway, Everett, MA 02149....

24.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>2</div> <div>Complete Explanation(s)</div>
.....
.....

24.03 Have there been any changes, including name changes, in the custodian(s) identified in 24.01 during the current year? Yes [] No [X]

24.04 If yes, give full and complete information relating thereto:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....

24.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>2</div> <div>Address</div>
109684.....	Sun Capital Advisers, Inc.....	One Sun Life Executive Park, Wellesley Hills, MA.....

25.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

25.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP #</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....
.....
25.2999 TOTAL		0

25.3 For each mutual fund listed in the table above, complete the following schedule:

<div>1</div> <div>Name of Mutual Fund (from above table)</div>	<div>2</div> <div>Name of Significant Holding Of the Mutual Fund</div>	<div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div>	<div>4</div> <div>Date of Valuation</div>
.....
.....

GENERAL INTERROGATORIES

26. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
26.1 Bonds.....	54,180,324	53,639,003	(541,321)
26.2 Preferred stocks.....	0		0
26.3 Totals	54,180,324	53,639,003	(541,321)

26.4 Describe the sources or methods utilized in determining fair values:

Public bond and preferred stock market values are received from independent sources including HubData, Bloomberg, dealer quotes and outside brokers. Private placements are priced using a discounted cash flow model. Highly marketable private placements are priced using outside broker quotes.

27.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [X] No []

27.2 If no, list the exceptions:

OTHER

28.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$

28.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

29.1 Amount of payments for legal expenses, if any? \$

29.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

30.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$

30.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$

0

1.62

Total incurred claims

\$

0

1.63

Number of covered lives

\$

0

All years prior to most current three years:

1.64

Total premium earned

\$

0

1.65

Total incurred claims

\$

0

1.66

Number of covered lives

\$

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$

0

1.72

Total incurred claims

\$

0

1.73

Number of covered lives

\$

0

All years prior to most current three years:

1.74

Total premium earned

\$

0

1.75

Total incurred claims

\$

0

1.76

Number of covered lives

\$

0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$ 0	\$	0
2.2	Premium Denominator	\$ (871,343)	\$	(888,988)
2.3	Premium Ratio (2.1/2.2)	0.000		0.000
2.4	Reserve Numerator	\$ 0	\$	0
2.5	Reserve Denominator	\$ 45,934,808	\$	47,808,485
2.6	Reserve Ratio (2.4/2.5)	0.000		0.000

3.1

Does this reporting entity have Separate Accounts?

Yes [X] No []

3.2

If yes, has a Separate Accounts Statement been filed with this Department?

Yes [X] No [] NA []

3.3

What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account?

\$

3.4

State the authority under which Separate Accounts are maintained:

Rhode Island General Laws Sec 27-32-1

3.5

Was any of the reporting entity's Separate Accounts business reinsured as of December 31?

Yes [] No [X]

3.6

Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31?

Yes [] No [X]

3.7

If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?

\$

4.1

Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)?

Yes [X] No []

4.2

Net reimbursement of such expenses between reporting entities:

4.21

Paid:

\$

570,776

4.22

Received:

\$

5.1

Does the reporting entity write any guaranteed interest contracts?

Yes [] No [X]

5.2

If yes, what amount pertaining to these items is included in:

5.21

Page 3, Line 1

\$

5.22

Page 4, Line 1

\$

6.

For stock reporting entities only:

6.1

Total amount paid in by stockholders as surplus funds since organization of the reporting entity:

\$ 22,678,309

7.

Total dividends paid stockholders since organization of the reporting entity:

7.11

Cash:

\$ 7,168,000

7.12

Stock:

\$ 4,095,772

22

GENERAL INTERROGATORIES

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [] No [X]
Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers Compensation Carve-Out Supplement to the Annual Statement: Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1	2	3
	Reinsurance	Reinsurance	Net
	Assumed	Ceded	Retained
8.31	Earned premium.....		
8.32	Paid claims.....		
8.33	Claim liability and reserve (beginning of year).....		
8.34	Claim liability and reserve (end of year).....		
8.35	Incurred Claims.....		

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column 1 are:

	Attachment	1	2
	Point	Earned	Claim Liability
		Premium	And Reserve
8.41	<\$25,000	.....	.....
8.42	\$25,000 – 99,999	.....	.....
8.43	\$100,000 – 249,999	.....	.....
8.44	\$250,000 – 999,999	.....	.....
8.45	\$1,000,000 or more	.....	.....

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$.

9.1 Does the company have variable annuities with guaranteed benefits? Yes [] No [X]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1	2							
Guaranteed	Guaranteed	Waiting Period	Account Value	Total Related	Gross Amount	Location of	Portion	Reinsurance
Death Benefits	Living Benefits	Remaining	Related to Col.3	Account Values	of Reserve	Reserve	Reinsured	Reserved Credit

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.
Show amounts of life insurance in this exhibit in thousands (omit \$000)

	1 2005	2 2004	3 2003	4 2002	5 2001
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole Life and endowment (Line 34, Col. 4)	217,805	229,955	242,446	254,302	302,601
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	0	0	0	0	0
3. Credit life (Line 21, Col. 6)	0	0	0	0	0
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)	0	0	0	0	0
5. Industrial (Line 21, Col. 2)	0	0	0	0	0
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)	0	0	0	0	0
7. Total (Line 21, Col. 10)	217,805	229,955	242,446	254,302	302,601
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)	0	0	0	0	0
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)	0	0	0	0	0
10. Credit life (Line 2, Col. 6)	0	0	0	0	0
11. Group (Line 2, Col. 9)	0	0	0	0	0
12. Industrial (Line 2, Col. 2)	0	0	0	0	0
13. Total (Line 2, Col. 10)	0	0	0	0	0
Premium Income - Lines of Business (Exhibit 1 – Part 1)					
14. Industrial life (Line 20.4, Col. 2)	0	0	0	0	0
15.1 Ordinary-life insurance (Line 20.4, Col. 3)	(871,343)	(888,988)	(1,107,931)	(681,722)	(1,286,030)
15.2 Ordinary-Individual Annuities (Line 20.4, Col. 4)	0	0	0	0	0
16. Credit life (group and individual) (Line 20.4, Col. 5)	0	0	0	0	0
17.1 Group life insurance (Line 20.4, Col. 6)	0	0	0	0	0
17.2 Group annuities (Line 20.4, Col. 7)	0	0	0	0	0
18.1 A & H-group (Line 20.4, Col. 8)	0	0	0	0	0
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)	0	0	0	0	0
18.3 A & H-other (Line 20.4, Col. 10)	0	0	0	0	0
19. Aggregate of all other lines of business (Line 20.4, Col. 11)	0	0	0	0	0
20. Total	(871,343)	(888,988)	(1,107,931)	(681,722)	(1,286,030)
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 24, Col. 3)	96,755,363	95,262,860	91,740,820	90,230,782	90,636,228
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	48,015,538	49,512,011	49,587,641	49,811,145	54,526,233
23. Aggregate life reserves (Page 3, Line 1)	47,173,250	49,198,215	47,690,368	49,521,358	55,527,398
24. Aggregate A & H reserves (Page 3, Line 2)	0	0	0	0	0
25. Deposit-type contract funds (Page 3, Line 3)	39,626	65,171	89,100	111,516	0
26. Asset valuation reserve (Page 3, Line 24.1)	224,669	168,456	86,994	0	120,951
27. Capital (Page 3, Lines 29 and 30)	2,541,722	2,541,722	2,541,722	2,541,722	2,541,722
28. Surplus (Page 3, Line 37)	46,198,103	43,209,127	39,611,457	37,877,915	33,568,273
Risk-Based Capital Analysis					
29. Total adjusted capital	48,964,494	45,919,305	42,240,173	40,419,637	36,230,946
30. Authorized control level risk - based capital	511,709	556,151	512,601	462,489	334,417
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. / Page 2, Line 10, Col. 3) x 100.0					
31. Bonds (Line 1)	57.1	56.8	48.5	41.4	29.7
32. Stocks (Lines 2.1 and 2.2)	0.0	0.0	0.0	0.0	0.0
33. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
34. Real estate (Lines 4.1, 4.2 and 4.3)	0.0	0.0	0.0	0.0	0.0
35. Cash, cash equivalents and short - term investments (Line 5)	3.0	1.4	5.0	8.7	15.9
36. Premium notes	XXX	XXX	XXX	0.0	0.0
37. Contract loans (Line 6)	39.9	41.8	46.4	49.4	52.3
38. Other invested assets (Line 7)	0.0	0.0	0.0	0.0	0.0
39. Receivables for securities (Line 8)	0.0	0.0	0.0	0.6	2.1
40. Aggregate write-ins for invested assets (Line 9)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 10)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2005	2 2004	3 2003	4 2002	5 2001
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D Summary, Line 25, Col. 1) .....	.0	.0	.0	.0	.0
43. Affiliated preferred stocks (Schedule D Summary, Line 39, Col. 1) .....	.0	.0	.0	.0	.0
44. Affiliated common stocks (Schedule D Summary, Line 53, Col. 2) .....	.0	.0	.0	.0	.0
45. Affiliated short-term investments (Subtotals included in Schedule DA Part 2 Col. 5, Line 11) .....	.0	.0	.0	.0	.0
46. Affiliated mortgage loans on real estate .....		.0	.0	.0	.0
47. All other affiliated .....		.0	.0	.0	.0
48. Total of above Lines 42 to 47 .....	.0	.0	.0	.0	.0
Total Non-admitted and Admitted Assets					
49. Total non admitted assets (Page 2, Line 26, Col. 2)	1,655,585	1,913,501	2,144,496	2,512,211	2,567,100
50. Total admitted assets (Page 2, Line 26, Col. 3)	171,889,854	172,037,977	175,479,190	168,998,958	189,346,916
Investment Data					
51. Net investment income (Exhibit of Net Investment Income)	4,287,239	3,982,864	4,581,411	3,652,445	4,186,259
52. Realized capital gains (Losses)	68,719	29,057	904,395	(434,181)	(27,641)
53. Unrealized capital gains (Losses)		0	0	0	0
54. Total of above Lines 51, 52 & 53	4,355,958	4,011,921	5,485,806	3,218,264	4,158,618
Benefits and Reserve Increases (Page 6)					
55. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15, Col.1 minus Lines 10, 11, 12, 13, 14, and 15, Cols. 9, 10 & 11).....	6,509,538	7,353,039	9,723,510	9,465,674	8,538,081
56. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11) .....	.0	.0	.0	.0	.0
57. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)	(2,029,428)	2,784,585	(1,832,410)	(5,004,331)	8,130,473
58. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11) .....	.0	.0	.0	.0	.0
59. Dividends to policyholders (Line 30, Col. 1) .....	.0	.0	.0	.0	.0
Operating Percentages					
60. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/ (Page 6, Col.1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0	(29.3)	(34.0)	(22.9)	(54.9)	(36.0)
61. Lapse percent (ordinary only). (Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21) x 100.0	4.5	4.4	3.4	16.5	11.4
62. A & H loss percent (Schedule H, Part 1, Lines 5 & 6, Col. 2) .....	.0.0	.0.0	.0.0	.0.0	.0.0
63. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2) .....	.0.0	.0.0	XXX	XXX	XXX
64. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2) .....	.0.0	.0.0	.0.0	.0.0	.0.0
A & H Claim Reserve Adequacy					
65. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2) .....	.0	.0	.0	.0	.0
66. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2) .....	.0	.0	.0	.0	.0
67. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2) .....	.0	.0	.0	.0	.0
68. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2) .....	.0	.0	.0	.0	.0
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
69. Industrial life (Col. 2) .....	.0	.0	.0	.0	.0
70. Ordinary - life (Col. 3)	2,926,758	3,216,055	1,512,621	4,421,720	1,693,374
71. Ordinary - individual annuities (Col. 4)	6,085	17,438	14,668	216,702	153,311
72. Ordinary-supplementary contracts (Col. 5)	8,463	61,692	11,114	(25,720)	(87,347)
73. Credit life (Col. 6) .....	.0	.0	.0	.0	.0
74. Group life (Col. 7) .....	.0	.0	.0	.0	.0
75. Group annuities (Col. 8) .....	.0	.0	.0	.0	.0
76. A & H-group (Col. 9) .....	.0	.0	.0	.0	.0
77. A & H-credit (Col. 10) .....	.0	.0	.0	.0	.0
78. A & H-other (Col. 11) .....	.0	.0	.0	.0	.0
79. Aggregate of all other lines of business (Col. 12)	0	0	0	0	0
80. Total (Col. 1)	2,941,306	3,295,185	1,538,403	4,612,702	1,759,338

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year	0	0	1,316	229,955	0	0	0	0	0	229,955
2. Issued during year		0	0	0		0			0	0
3. Reinsurance assumed										0
4. Revived during year										0
5. Increased during year (net)			5	354						354
6. Subtotals, Lines 2 to 5	0	0	5	354	0	0	0	0	0	354
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		0
8. Aggregate write-ins for increases	0	0	0	0	0	0	0	0	0	0
9. Totals (Lines 1 and 6 to 8)	0	0	1,321	230,309	0	0	0	0	0	230,309
Deductions during year:										
10. Death			22	2,356			XXX			2,356
11. Maturity							XXX			0
12. Disability							XXX			0
13. Expiry										0
14. Surrender			64	10,148						10,148
15. Lapse										0
16. Conversion							XXX	XXX	XXX	0
17. Decreased (net)										0
18. Reinsurance										0
19. Aggregate write-ins for decreases	0	0	0	0	0	0	0	0	0	0
20. Totals, (Lines 10 to 19)	0	0	86	12,504	0	0	0	0	0	12,504
21. In force end of year, (Line 9 minus Line 20)	0	0	1,235	217,805	0	0	0	0	0	217,805
22. Reinsurance ceded end of year	XXX		XXX	70,044	XXX		XXX	XXX		70,044
23. Line 21 minus Line 22	XXX	0	XXX	147,761	XXX	(b) 0	XXX	XXX	0	147,761
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page	0	0	0	0	0	0	0	0	0	0
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)	0	0	0	0	0	0	0	0	0	0
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page	0	0	0	0	0	0	0	0	0	0
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)	0	0	0	0	0	0	0	0	0	0

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$; Individual \$

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR			
	Industrial		Ordinary
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies
24. Additions by dividends			4 Amount of Insurance (a)
25. Other paid-up insurance			XXX
26. Debit ordinary insurance	XXX	XXX	

ADDITIONAL INFORMATION ON ORDINARY INSURANCE			
	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies
Term Insurance Excluding Extended Term Insurance			4 Amount of Insurance (a)
27. Term policies - decreasing			
28. Term policies - other			
29. Other term insurance - decreasing	XXX		XXX
30. Other term insurance	XXX		XXX
31. Totals, Line 27 to 30	0	0	0
Reconciliation to Lines 2 and 21:			
32. Term additions	XXX		XXX
33. Totals, extended term insurance	XXX	XXX	
34. Totals, whole life and endowment			1,235
35. Total (Lines 31 to 34)	0	0	1,235

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS			
	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)
	1 Non-Participating	2 Participating	3 Non-Participating
36. Industrial			4 Participating
37. Ordinary			217,805
38. Credit Life (Group and Individual)			
39. Group			
40. Totals (Lines 36 to 39)	0	0	217,805

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE			
	Credit Life		Group
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates
41. Amount of insurance included in Line 2 ceded to other companies	XXX		4 Amount of Insurance (a)
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX	XXX
43. Federal Employees' Group Life Insurance included in Line 21			
44. Servicemen's Group Life Insurance included in Line 21			
45. Group Permanent Insurance included in Line 21			

ADDITIONAL ACCIDENTAL DEATH BENEFITS	
46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE	
47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above	
47.1	
47.2	

POLICIES WITH DISABILITY PROVISIONS							
	Industrial		Ordinary		Credit		Group
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates
Disability Provision							8 Amount of Insurance (a)
48. Waiver of Premium							
49. Disability Income							
50. Extended Benefits			XXX	XXX			
51. Other							
52. Total	0 ^(b)	0	0 ^(b)	0	0 ^(b)	0	0 ^(b)

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)
(b) See paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES,
INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR
SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH
AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	3	2	0	0
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	3	2	0	0
Deductions during year:				
6. Decreased (net)				
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	0	0	0	0
9. In force end of year	3	2	0	0
10. Amount on deposit	(a)			(a)
11. Income now payable				
12. Amount of income payable	(a) 34,225	(a) 29,029	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year	0	17	0	0
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	0	17	0	0
Deductions during year:				
6. Decreased (net)				
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)	0	0	0	0
9. In force end of year	0	17	0	0
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a) 387,790	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

ACCIDENT AND HEALTH INSURANCE

	Ordinary		Group		Credit	
	1 Policies	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year	0	0	0	0	0	0
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Total (Lines 1 to 4)	0	XXX	0	XXX	0	XXX
Deductions during year:						
6. Conversions	XXX	XXX		XXX	XXX	XXX
7. Decreased (net)		XXX		XXX		XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Total (Lines 6 thru 8)	0	XXX	0	XXX	0	XXX
10. In force end of year	0	(a)	0	(a)	0	(a)

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	0	0
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Total (Lines 1 to 4)	0	0
Deductions During Year:		
6. Decreased (net)		
7. Reinsurance ceded		
8. Totals (Lines 6 and 7)	0	0
9. In force end of year	0	0
10. Amount of account balance	(a)	(a)

(a) See paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	8,163,029	8,174,812	8,291,302	8,112,785
	2. Canada				
	3. Other Countries	514,140	514,140	515,835	500,000
	4. Totals	8,677,169	8,688,952	8,807,137	8,612,785
States, Territories and Possessions (Direct and guaranteed)	5. United States				
	6. Canada				
	7. Other Countries				
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States.....				
	10. Canada				
	11. Other Countries				
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	1,354,970	1,354,970	1,352,824	1,348,789
	14. Canada				
	15. Other Countries				
	16. Totals	1,354,970	1,354,970	1,352,824	1,348,789
Public Utilities (unaffiliated)	17. United States	1,531,858	1,531,858	1,534,571	1,500,000
	18. Canada				
	19. Other Countries				
	20. Totals	1,531,858	1,531,858	1,534,571	1,500,000
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	34,197,762	34,163,907	34,652,071	33,177,654
	22. Canada	135,994	135,994	135,994	135,994
	23. Other Countries	8,282,571	8,302,088	8,367,434	7,920,527
	24. Totals	42,616,327	42,601,989	43,155,499	41,234,175
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	54,180,324	54,177,769	54,850,031	52,695,749
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States				
	28. Canada				
	29. Other Countries				
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States				
	32. Canada				
	33. Other Countries				
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States				
	36. Canada				
	37. Other Countries				
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	0	0	0	
COMMON STOCKS Public Utilities (unaffiliated)	41. United States				
	42. Canada				
	43. Other Countries				
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States				
	46. Canada				
	47. Other Countries				
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States				
	50. Canada				
	51. Other Countries				
	52. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	0	0	0	
	55. Total Stocks	0	0	0	
	56. Total Bonds and Stocks	54,180,324	54,177,769	54,850,031	

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value of bonds and stocks, prior year.....	53,087,285	7. Amortization of premium.....	371,078
2. Cost of bonds and stocks acquired, Column 7, Part 3	13,622,393	8. Foreign Exchange Adjustment:	
3. Accrual of discount.....	46,717	8.1 Column 15, Part 1	0
4. Increase (decrease) by adjustment:.....		8.2 Column 19, Part 2, Sec. 1.....	0
4.1 Columns 12 - 14, Part 1.....	(19,517)	8.3 Column 16, Part 2, Sec. 2	0
4.2 Columns 15 - 17, Part 2, Sec. 1.....	0	8.4 Column 15, Part 4	0
4.3 Column 15, Part 2, Sec. 2.....	0		
4.4 Columns 11 - 13, Part 4	0	9. Book/adjusted carrying value at end of current period	54,180,326
5. Total gain (loss), Col. 19, Part 4	88,236	10. Total valuation allowance	
6. Deduct consideration for bonds and stocks disposed of		11. Subtotal (Lines 9 plus 10)	54,180,326
Column 7, Part 4	12,273,710	12. Total nonadmitted amounts	
		13. Statement value of bonds and stocks, current period	54,180,326

ANNUAL STATEMENT FOR THE YEAR 2005 OF THE INDEPENDENCE LIFE AND ANNUITY COMPANY

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories						
States, Etc.	1	Life Contracts		Direct Business Only		
		2	3	4	5	6
	Is Insurer Licensed? (Yes or No)	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Deposit-Type Contract Funds	Other Considerations
1. Alabama	AL	Yes.....	.0	.0	.0	.0
2. Alaska	AK	Yes.....	.0	.0	.0	.0
3. Arizona	AZ	Yes.....	.0	.0	.0	.0
4. Arkansas	AR	Yes.....	.0	.0	.0	.0
5. California	CA	Yes.....	.0	.0	.0	.0
6. Colorado	CO	Yes.....	.0	.0	.0	.0
7. Connecticut	CT	Yes.....	.0	.0	.0	.0
8. Delaware	DE	Yes.....	.0	.0	.0	.0
9. District of Columbia	DC	Yes.....	.0	.0	.0	.0
10. Florida	FL	Yes.....	.0	.0	.0	.0
11. Georgia	GA	Yes.....	.0	.0	.0	.0
12. Hawaii	HI	Yes.....	.0	.0	.0	.0
13. Idaho	ID	Yes.....	.0	.0	.0	.0
14. Illinois	IL	Yes.....	.0	.0	.0	.0
15. Indiana	IN	Yes.....	.0	.0	.0	.0
16. Iowa	IA	Yes.....	.0	.0	.0	.0
17. Kansas	KS	Yes.....	.0	.0	.0	.0
18. Kentucky	KY	Yes.....	.0	.0	.0	.0
19. Louisiana	LA	Yes.....	.0	.0	.0	.0
20. Maine	ME	Yes.....	.0	.0	.0	.0
21. Maryland	MD	Yes.....	.0	.0	.0	.0
22. Massachusetts	MA	Yes.....	.0	.0	.0	.0
23. Michigan	MI	Yes.....	.0	.0	.0	.0
24. Minnesota	MN	Yes.....	.0	.0	.0	.0
25. Mississippi	MS	Yes.....	.0	.0	.0	.0
26. Missouri	MO	Yes.....	.0	.0	.0	.0
27. Montana	MT	Yes.....	.0	.0	.0	.0
28. Nebraska	NE	Yes.....	.0	.0	.0	.0
29. Nevada	NV	Yes.....	.0	.0	.0	.0
30. New Hampshire	NH	Yes.....	.0	.0	.0	.0
31. New Jersey	NJ	Yes.....	.0	.0	.0	.0
32. New Mexico	NM	Yes.....	.0	.0	.0	.0
33. New York	NY	No.....	.0	.0	.0	.0
34. North Carolina	NC	Yes.....	.0	.0	.0	.0
35. North Dakota	ND	Yes.....	.0	.0	.0	.0
36. Ohio	OH	Yes.....	.0	.0	.0	.0
37. Oklahoma	OK	Yes.....	.0	.0	.0	.0
38. Oregon	OR	Yes.....	.0	.0	.0	.0
39. Pennsylvania	PA	Yes.....	.0	.0	.0	.0
40. Rhode Island	RI	Yes.....	.0	.0	.0	.0
41. South Carolina	SC	Yes.....	.0	.0	.0	.0
42. South Dakota	SD	Yes.....	.0	.0	.0	.0
43. Tennessee	TN	Yes.....	.0	.0	.0	.0
44. Texas	TX	Yes.....	.0	.0	.0	.0
45. Utah	UT	Yes.....	.0	.0	.0	.0
46. Vermont	VT	Yes.....	.0	.0	.0	.0
47. Virginia	VA	Yes.....	.0	.0	.0	.0
48. Washington	WA	Yes.....	.0	.0	.0	.0
49. West Virginia	WV	Yes.....	.0	.0	.0	.0
50. Wisconsin	WI	Yes.....	.0	.0	.0	.0
51. Wyoming	WY	Yes.....	.0	.0	.0	.0
52. American Samoa	AS	No.....	.0	.0	.0	.0
53. Guam	GU	No.....	.0	.0	.0	.0
54. Puerto Rico	PR	No.....	.0	.0	.0	.0
55. US Virgin Islands	VI	No.....	.0	.0	.0	.0
56. Canada	CN	No.....	.0	.0	.0	.0
57. Aggregate Other Alien	OT	XXX.....	.0	.0	.0	.0
58. Subtotal	(a) .....	.50	.0	.0	.0	.0
90. Reporting entity contributions for employee benefit plans	XXX.....					
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX.....					
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX.....					
93. Premium or annuity considerations waived under disability or other contract provisions	XXX.....					
94. Aggregate of other amounts not allocable by State	XXX.....	.0	.0	.0	.0	.0
95. Totals (Direct Business)	XXX.....	.0	.0	.0	.0	.0
96. Plus Reinsurance Assumed	XXX.....					
97. Totals (All Business)	XXX.....	.0	.0	.0	.0	.0
98. Less Reinsurance Ceded	XXX.....	(871,343)				
99. Totals (All Business) less Reinsurance Ceded	XXX.....	871,343	0	(b) 0	0	0
DETAILS OF WRITE-INS						
5701.	XXX.....					
5702.	XXX.....					
5703.	XXX.....					
5798. Summary of remaining write-ins for Line 57 from overflow page	XXX.....	.0	.0	.0	.0	.0
5799. Totals (Lines 5701 through 5703 plus 5798)(Line 57 above)	XXX.....	0	0	0	0	0
9401.	XXX.....					
9402.	XXX.....					
9403.	XXX.....					
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX.....	.0	.0	.0	.0	.0
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX.....	0	0	0	0	0

Explanation of basis of allocation by states, etc., of premiums and annuity considerations

(a) Insert the number of yes responses except for Canada and Other Alien.
(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9 and 10, or with Schedule H, Part 1, Line 1, indicate which: .

SCHEDULE T – PART 2
INTERSTATE COMPACT PRODUCTS – EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		Direct Business Only					
		1	2	3	4	5	6
States, Etc.		Life (Group and Individual)	Annuities (Group and Individual)	Disability Income (Group and Individual)	Long-Term Care (Group and Individual)	Deposit-Type Contracts	Totals
1. Alabama	AL .....	.0	.0			.0	.0
2. Alaska	AK .....	.0	.0			.0	.0
3. Arizona	AZ .....	.0	.0			.0	.0
4. Arkansas	AR .....	.0	.0			.0	.0
5. California	CA .....	.0	.0			.0	.0
6. Colorado	CO .....	.0	.0			.0	.0
7. Connecticut	CT .....	.0	.0			.0	.0
8. Delaware	DE .....	.0	.0			.0	.0
9. District of Columbia	DC .....	.0	.0			.0	.0
10. Florida	FL .....	.0	.0			.0	.0
11. Georgia	GA .....	.0	.0			.0	.0
12. Hawaii	HI .....	.0	.0			.0	.0
13. Idaho	ID .....	.0	.0			.0	.0
14. Illinois	IL .....	.0	.0			.0	.0
15. Indiana	IN .....	.0	.0			.0	.0
16. Iowa	IA .....	.0	.0			.0	.0
17. Kansas	KS .....	.0	.0			.0	.0
18. Kentucky	KY .....	.0	.0			.0	.0
19. Louisiana	LA .....	.0	.0			.0	.0
20. Maine	ME .....	.0	.0			.0	.0
21. Maryland	MD .....	.0	.0			.0	.0
22. Massachusetts	MA .....	.0	.0			.0	.0
23. Michigan	MI .....	.0	.0			.0	.0
24. Minnesota	MN .....	.0	.0			.0	.0
25. Mississippi	MS .....	.0	.0			.0	.0
26. Missouri	MO .....	.0	.0			.0	.0
27. Montana	MT .....	.0	.0			.0	.0
28. Nebraska	NE .....	.0	.0			.0	.0
29. Nevada	NV .....	.0	.0			.0	.0
30. New Hampshire	NH .....	.0	.0			.0	.0
31. New Jersey	NJ .....	.0	.0			.0	.0
32. New Mexico	NM .....	.0	.0			.0	.0
33. New York	NY .....	.0	.0			.0	.0
34. North Carolina	NC .....	.0	.0			.0	.0
35. North Dakota	ND .....	.0	.0			.0	.0
36. Ohio	OH .....	.0	.0			.0	.0
37. Oklahoma	OK .....	.0	.0			.0	.0
38. Oregon	OR .....	.0	.0			.0	.0
39. Pennsylvania	PA .....	.0	.0			.0	.0
40. Rhode Island	RI .....	.0	.0			.0	.0
41. South Carolina	SC .....	.0	.0			.0	.0
42. South Dakota	SD .....	.0	.0			.0	.0
43. Tennessee	TN .....	.0	.0			.0	.0
44. Texas	TX .....	.0	.0			.0	.0
45. Utah	UT .....	.0	.0			.0	.0
46. Vermont	VT .....	.0	.0			.0	.0
47. Virginia	VA .....	.0	.0			.0	.0
48. Washington	WA .....	.0	.0			.0	.0
49. West Virginia	WV .....	.0	.0			.0	.0
50. Wisconsin	WI .....	.0	.0			.0	.0
51. Wyoming	WY .....	.0	.0			.0	.0
52. American Samoa	AS .....	.0	.0			.0	.0
53. Guam	GU .....	.0	.0			.0	.0
54. Puerto Rico	PR .....	.0	.0			.0	.0
55. U.S. Virgin Islands	VI .....	.0	.0			.0	.0
56. Canada	CN .....	.0	.0			.0	.0
57. Other Alien	OT .....	.0	.0			.0	.0
58. Totals		0	0	0	0	0	0

NONE

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#		% of voting shares	Insurer/ Non-Insurer
	Sun Life Financial Inc.	100.00%	Non-Insurer
	6183271 Canada Inc.	100.00%	Non-Insurer
	Sun Life Financial (Chile) S.A.	99.999%	Non-Insurer
	6183298 Canada Inc.	100.00%	Non-Insurer
	Sun Life Financial (Chile) S.A.	0.001%	Non-Insurer
	681030 B.C. Ltd.	100.00%	Non-Insurer
	Sun Life (Poland) Group Financing sp. z.o.o.	100.00%	Non-Insurer
	6324983 CANADA Inc.	100.00%	Non-Insurer
	Sun Life (Barbados) Holdings No. 1 Limited	100.00%	Insurer
	Sun Life Financial Reinsurance (Barbados) Limited	100.00%	Insurer
	Sun Life Financial Corp.	100.00%	Non-Insurer
	UNITED STATES		
04-3401283	Sun Life Assurance Company of Canada – U.S. Operations Holdings, Inc.	100.00%	Non-Insurer
04-3132283	Sun Capital Advisers LLC	100.00%	Non-Insurer
04-3526207	Sun Life Financial (Japan), Inc.	100.00%	Non-Insurer
	MFS Japan Holdings LLC	50.00%	Non-Insurer
04-3579262	Sun Life Financial (U.S.) Holdings, Inc.	100.00%	Non-Insurer
04-3119940	IFMG Securities, Inc.	100.00%	Non-Insurer
04-3178139	LSC Insurance Agency of New Mexico, Inc.	100.00%	Non-Insurer
04-3210448	LSC Insurance Agency of Arizona, Inc.	100.00%	Non-Insurer
13-3585648	Independent Financial Marketing Group, Inc.	100.00%	Non-Insurer
13-3202391	IFS Agencies, Inc.	100.00%	Non-Insurer
34-1756557	IFS Insurance Agencies of Ohio, Inc.	100.00%	Non-Insurer
13-3855595	IFS Agencies of Alabama, Inc.	100.00%	Non-Insurer
13-3733657	IFS Agencies of New Mexico, Inc.	100.00%	Non-Insurer
75-2437731	IFS Insurance Agencies of Texas, Inc. ***	100.00%	Non-Insurer
73-1418611	IFMG of Oklahoma, Inc. ***	100.00%	Non-Insurer
04-2470476	Sun Life Financial Distributors, Inc.	50.00%	Non-Insurer
	Sun Life Financial (U.S.) Investments LLC	100.00%	Non-Insurer
04-3401285	Sun Life of Canada (U.S.) Financial Services Holdings, Inc.	99.86%	Non-Insurer
04-2747644	Massachusetts Financial Services Company	97.92%	Non-Insurer
04-2470476	Sun Life Financial Distributors, Inc.	50.00%	Non-Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#				% of voting shares	Insurer/ Non-Insurer
04-3247425			MFS Institutional Advisors, Inc.	100.00%	Non-Insurer
			MFS Institutional Advisors (Australia) Ltd.	100.00%	Non-Insurer
04-3169826			MFS Fund Distributors, Inc.	100.00%	Non-Insurer
			MFS International Ltd.	100.00%	Non-Insurer
			MFS International (U.K.) Ltd.	100.00%	Non-Insurer
			MFS International S.C. Ltda.	100.00%	Non-Insurer
04-3406980			Vertex Investment Management, Inc.	100.00%	Non-Insurer
04-3253929			MFS Retirement Services, Inc.	100.00%	Non-Insurer
04-2864897			MFS Service Center, Inc.	100.00%	Non-Insurer
02-0507414			MFS Heritage Trust Company	100.00%	Non-Insurer
			MFS Investment Management (LUX) S.A.	100.00%	Non-Insurer
			MFS Original Research Advisers, LLC	100.00%	Non-Insurer
			MFS Original Research Partners, LLC	100.00%	Non-Insurer
			MFS Japan Holdings LLC	50.00%	Non-Insurer
			MFS Investment Management K.K.	100.00%	Non-Insurer
04-3365782			Sun Life of Canada (U.S.) Holdings, Inc.	100.00%	Non-Insurer
04-3292937			Sun Canada Financial Co.	100.00%	Non-Insurer
04-6834556			Sun Life of Canada (U.S.) Capital Trust I	**	Non-Insurer
04-3365791			Sun Life of Canada (U.S.) Limited Partnership I	*	Non-Insurer
04-2461439 79065 DE			Sun Life Assurance Company of Canada (U.S.)	100.00%	Insurer
04-3365780			Sun Life of Canada (U.S.) Holdings General Partner LLC	100.00%	Non-Insurer
04-2845273 72664 NY			Sun Life Insurance and Annuity Company of New York	100.00%	Insurer
04-3394396			Sun Life of Canada (U.S.) SPE 97-I, Inc	100.00%	Non-Insurer
04-2476246			Clarendon Insurance Agency, Inc.	100.00%	Non-Insurer
61-0403075 64602 RI			Independence Life and Annuity Company	100.00%	Insurer
			SLF Private Placement Investment Company I, LLC	100.00%	Non-Insurer
			7101 France Avenue Manager, LLC	100.00%	Non-Insurer
			7101 France Avenue, LLC	100.00%	Non-Insurer
			Sun Parkaire Landing LLC	100.00%	Non-Insurer
04-3574531			Sun Life Financial (U.S.) Finance, Inc.	100.00%	Non-Insurer
			FOREIGN		
			3060097 Nova Scotia Company	100.00%	Non-Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#			% of voting shares	Insurer/ Non-Insurer
		CI Financial Inc.	34.00%	Non-Insurer
		CI Investments Inc.	100.00%	Non-Insurer
		CI GP Limited	100.00%	Non-Insurer
		CI Fund Services Inc.	100.00%	Non-Insurer
		CI Global Holdings Inc.	100.00%	Non-Insurer
		Altrinsic Global Advisors, LLC	25.00%	Non-Insurer
		Webb Capital Management LLP	55.00%	Non-Insurer
		Webb Capital Partners, LLC	25.00%	Non-Insurer
		CI Global Holdings USA Inc.	100.00%	Non-Insurer
		BPI Global Asset Management LLP	66.00%	Non-Insurer
		Skylon Advisors Inc.	100.00%	Non-Insurer
		Skylon International Inc.	100.00%	Non-Insurer
		Skylon Management Services Inc.	100.00%	Non-Insurer
		Assante Corporation	100.00%	Non-Insurer
		3363768 Manitoba Ltd.	100.00%	Non-Insurer
		775784 Ontario Inc.	100.00%	Non-Insurer
		Assante Acceptance Corporation	100.00%	Non-Insurer
		Assante Advisory Services Ltd.	100.00%	Non-Insurer
		Assante Capital Management Ltd.	100.00%	Non-Insurer
		Assante Financial Management Ltd.	100.00%	Non-Insurer
		Assante Estate and Insurance Services Inc.	100.00%	Non-Insurer
		Equion Financial Services Limited	100.00%	Non-Insurer
		1053378 Ontario Limited	100.00%	Non-Insurer
		Kronish De Grosbois, Inc.	100.00%	Non-Insurer
		The Height of Excellence Financial Planning Group Inc.	100.00%	Non-Insurer
		Investment and Tax Counsel Corp.	100.00%	Non-Insurer
		F.C.G. Securities Corporation	100.00%	Non-Insurer
		Financial Concept Corporation	100.00%	Non-Insurer
		Dataplan Securities Ltd.	100.00%	Non-Insurer
		Assante Management Services Ltd.	100.00%	Non-Insurer
		Summit Aurum Financial Group Inc.	100.00%	Non-Insurer
		Novestra Financial Services Inc.	100.00%	Non-Insurer
		DPM Financial Planning Group Inc.	100.00%	Non-Insurer
		DPM Securities Inc.	100.00%	Non-Insurer
		DPM Insurance Services Inc.	100.00%	Non-Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#				% of voting shares	Insurer/ Non-Insurer
			DPM Global Financial Services Inc.	100.00%	Non-Insurer
			Aurum Brokerage Services Inc.	100.00%	Non-Insurer
			C.M. Oliver Financial Corporation	100.00%	Non-Insurer
			C.M. Oliver Financial Planning Corp.	100.00%	Non-Insurer
			Reimer Financial Services Inc.	100.00%	Non-Insurer
			Kenneth Brown Investment Services Inc.	100.00%	Non-Insurer
			Fenlon Financial (1997) Inc.	100.00%	Non-Insurer
			Pro-Fund Distributors Ltd.	100.00%	Non-Insurer
			Pro-Fund Insurance Agency Ltd.	100.00%	Non-Insurer
			Brightside Financial Services Inc.	100.00%	Non-Insurer
			F.P.C. Investments Inc.	100.00%	Non-Insurer
			Assante Asset Management Ltd.	100.00%	Non-Insurer
			Optima Strategy Management Inc.	100.00%	Non-Insurer
			IQON Insurance Brokerage Inc.	100.00%	Non-Insurer
			IQON Financial Management Inc.	100.00%	Non-Insurer
			IQON Financial Inc.	100.00%	Non-Insurer
			Synera Financial Services Inc.	100.00%	Non-Insurer
			McLean Budden Limited	55.8%	Non-Insurer
			McLean Budden Funds Inc.	100.00%	Non-Insurer
38-1082080 80802 (CN)			Sun Life Assurance Company of Canada (including the United States Branch)	100.00%	Insurer
			UNITED STATES		
			Plaza West LLC	100.00%	Non-Insurer
			Crosspointe Shops II LLC	100.00%	Non-Insurer
			Crosspointe Shops I LLC	100.00%	Non-Insurer
			Sun Hyde Park, LLC	100.00%	Non-Insurer
			Sun Life Financial Global Funding, L.P.	99.00%	Non-Insurer
			Sun Life Financial Global Funding, U.L.C.	100.00%	Non-Insurer
			Sun Life Financial Global Funding, L.L.C.	100.00%	Non-Insurer
20-1591914			Sun Grand Parkway, L.P.	99.00%	Non-Insurer
			Sun Lakewood, L.P.	99.00%	Non-Insurer
			Sun Grand Parkway GP, LLC	100.00%	Non-Insurer
			Sun Grand Parkway, L.P.	1.00%	Non-Insurer
			Sun Lakewood GP, LLC	100.00%	Non-Insurer
			Sun Lakewood, L.P.	1.00%	Non-Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#			% of voting shares	Insurer/ Non-Insurer
		FOREIGN		
		6425411 Canada Inc.	100.00%	Non-Insurer
20-3284606		Sun Life Investments LLC	100.00%	Non-Insurer
		Lease Administration Corporation	66.67%	Non-Insurer
		Sun Life Information Services Canada, Inc.	100.00%	Non-Insurer
		Sun Life Financial Advisory Inc.	100.00%	Non-Insurer
		Sun Life Capital Trust	100.00%	Non-Insurer
		1245792 Ontario Inc.	100.00%	Non-Insurer
		The Stormont Electric Light & Power Company	100.00%	Non-Insurer
		SECLON Inc.	30.00%	Non-Insurer
		seclonLogic inc.	30.00%	Non-Insurer
		2053812 Ontario Inc.	100.00%	Non-Insurer
20-1591914		Sun Life Financial Global Funding, L.P.	1.00%	Non-Insurer
		Sun Life Financial Realty Advisors Inc.	100.00%	Non-Insurer
		Preferred Vision Services Inc.		Non-Insurer
			40.00%	
		Amaulico Fund Ltd.	100.00%	Non-Insurer
		Amaulico Ltd.	100.00%	Non-Insurer
		MCAP Service Corporation	40.00%	Non-Insurer
		MCAP Mortgage Corporation	100.00%	Non-Insurer
		Sun Life Financial LTC Solutions Inc.	100.00%	Insurer
289907-8		Clarica Trustco inc.	100.00%	Non-Insurer
		Sun Life Financial Trust Inc.	100.00%	Non-Insurer
		Clarica Financial Services Inc.	50.00%	Non-Insurer
		Clarica Financial Services Inc.	50.00%	Non-Insurer
321232-7		Clarica Investco Inc.	100.00%	Non-Insurer
0995169		Clarica MEEL Holdings Limited	100.00%	Non-Insurer
154014		Mississauga Executive Enterprises Ltd.	50.00%	Non-Insurer
		Sun Life Reinsurance Holdings Limited	100.00%	Non-Insurer
		Sun Life Reinsurance Company Limited	100.00%	Insurer
		Sun Life Reinsurance (Ireland) Limited	100.00%	Insurer
		CMG Asia Limited	100.00%	Insurer
		CMG Asia Trustee Company Limited	100.00%	Insurer
		Bestserve Financial Limited	100.00%	Insurer
		Financial Solutions Limited	100.00%	Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#			% of voting shares	Insurer/ Non-Insurer
		Sun Life (India) AMC Investments Inc.	100.00%	Non-Insurer
		Birla Sun Life Trustee Company Private Limited	50.00%	Non-Insurer
		Birla Sun Life Asset Management Company Limited	50.00%	Non-Insurer
		Birla Sun Life AMC (Mauritius) Limited	100.00%	Non-Insurer
		India Advantage Fund Limited	34.79% of Class C non voting shares	Non-Insurer
		Sun Life (India) Distribution Investments Inc.	100.00%	Non-Insurer
		Birla Sun Life Distribution Company Limited	50.0001 %	Non-Insurer
		BSDL Insurance Advisory Services Ltd.	100.00%	Non-Insurer
		Sun Life Financial (India) Insurance Investments Inc.	100.00%	Non-Insurer
		Birla Sun Life Insurance Company Limited	26.00%	Insurer
		Sun Life Financial (Mauritius) Inc.	100.00%	Non-Insurer
		Sun Life Financial (Hungary) Investments Inc.	100.00%	Non-Insurer
		Sun Life (Hungary) Group Financing Limited Liability Company	54.28%	Non-Insurer
		Sun Life Financial of Canada UK Limited	100.00%	Non-Insurer
		Sun Life of Canada UK Holdings plc	100.00%	Non-Insurer
		SLC Financial Services (U.K.) Limited	100.00%	Non-Insurer
		Confederation Property Services Limited	100.00%	Non-Insurer
		Sun Life Assurance Company of Canada (U.K.) Limited	100.00%	Insurer
		BHO Lease Company Limited	100.00%	Non-Insurer
		Sun Life of Canada Independent Limited	100.00%	Non-Insurer
		Confederation Life Insurance Company (U.K.) Limited	100.00%	Insurer
		Sun Life Financial of Canada Trustee Limited	100.00%	Non-Insurer
		Sun Life of Canada Nominees Limited	100.00%	Non-Insurer
		Sun Life Information Services Ireland Limited	100.00%	Non-Insurer
		Sun Life Everbright Life Insurance Company Limited	50.00%	Insurer
		Sun Life Financial (Hong Kong) Limited	100.00%	Insurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

Federal ID#				% of voting shares	Insurer/ Non-Insurer
04-3638553			Sun Life Financial (Bermuda) Holdings, Inc.	100.00%	Non-Insurer
52-2301409			Sun Life Financial Insurance and Annuity Company (Bermuda) Ltd.	100.00%	Insurer
			Sun Life Financial Investments (Bermuda) Ltd.	100.00%	Non-Insurer
			Sun Life of Canada International Assurance Limited	100.00%	Insurer
			Sun Life Assurance Company of Canada (Barbados) Limited	100.00%	Insurer
			PT Sun Life Financial Indonesia	86.95%	Insurer
			Sun Life (Hungary) Group Financing Limited Liability Company	45.72%	Non-Insurer
			Sun Life of Canada (U.K.) Overseas Investment Limited	100.00%	Non-Insurer
			Sun Life of Canada (Netherlands) B.V.	50.00%	Non-Insurer
			Sun Life of Canada (Philippines), Inc.	100.00%	Insurer
			Sun Life of Canada Prosperity Balanced Fund, Inc.	25.00%	Non-Insurer
			Sun Life of Canada Prosperity Philippine Equity Fund, Inc.	25.00%	Non-Insurer
			Sun Life of Canada Prosperity Bond Fund, Inc.	1.48%	Non-Insurer
			Sun Life Prosperity Dollar Advantage Fund, Inc.	13.08%	Non-Insurer
			Sun Life Prosperity Dollar Abundance Fund, Inc.	51.26%	Non-Insurer
			Sun Life Prosperity GS Fund, Inc.	93.44%	Non-Insurer
			Sun Life Asset Management Company, Inc.	100.00%	Non-Insurer
			Sun Life Financial Plans, Inc.	100.00%	Non-Insurer
			Sun Life Prosperity Money Market Fund, Inc.	50.36%	Non-Insurer
			Sun Life of Canada (Netherlands) B.V.	50.00%	Non-Insurer

* The sole general partner of Sun Life of Canada (U.S.) Limited Partnership I (the “Limited Partnership”) is Sun Life of Canada (U.S.) Holdings General Partner LLC (the “General Partner”). The General Partner holds approximately 10% of the economic interest in Limited Partnership, while Sun Life of Canada (U.S.) Capital Trust I holds approximately 90% of the economic interest in the Limited Partnership.

** Sun Life of Canada (U.S.) Holdings, Inc. owns 100% of the common undivided beneficial ownership interests in the assets of the Sun Life of Canada (U.S.) Capital Trust I, a statutory business trust organized in Delaware.

*** Pursuant to State Law, shares must be held by individuals, all of whom are officers of Independent Financial Marketing Group, Inc. or the entity in question, or both. If any of these individuals ceases to be so employed, the shares revert to the company at issue.